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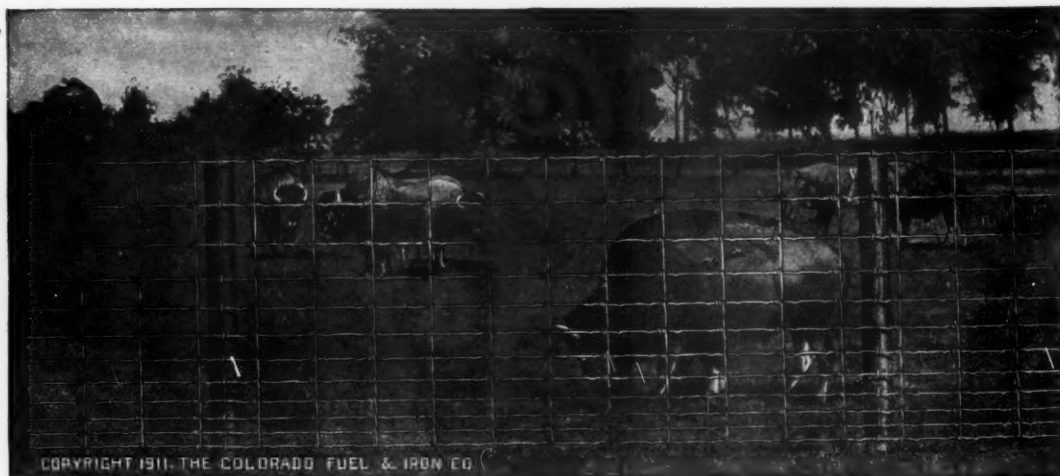
EARL BABBITT, Manager

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THE PRODUCER

THE NATIONAL LIVE STOCK MONTHLY

Volume III

DENVER, COLO., MARCH, 1922

Number 10

Live-Stock Industry in Argentina

[Commissioned by the Secretary of Agriculture to investigate live-stock conditions in the principal meat-producing countries of South America, with special reference to the possibility of expanding the export trade in breeding animals from the United States, L. B. Burk, of the Bureau of Markets and Crop Estimates, and E. Z. Russell, of the Bureau of Animal Industry, have made an extensive trip through the most important stock-raising sections of Argentina, Uruguay, and Brazil. From their official report we print below, in summarization, their impressions of the situation in Argentina.]

ARGENTINA ranks among the leading countries of the world in the production of grain, cattle, and sheep. The principal grain- and stock-raising sections, comprising the provinces of Buenos Aires, Cordoba, and Santa Fe, resemble the corn and alfalfa regions of Kansas, Nebraska, and Colorado. The climate, however, is milder, being more like that of our southern states. In the eastern part of the country there is sufficient rain to produce abundant crops of corn, wheat, oats, barley, and potatoes, when modern methods are used. The mild climate, fertile soil, and wide stretches of alfalfa, which remains green and is grazed throughout the year, make this part of Argentina an almost ideal country in which to produce live stock of all kinds.

Beef Cattle

For many years the Shorthorn has been the most popular breed in Argentina. Recently, however, lively interest is being manifested in Herefords, Aberdeen-Angus, and Polled Shorthorns. The type generally seen is slightly longer in body, legs, and neck, and less smooth of coat, than the more compact, earlier-maturing animals predominating in the United States.

Ranches in Argentina generally are of large size, many being of 5,000, 10,000, and 15,000 acres. As one travels from one to another, he sees great herds of excellent breeding-cows, with straight-lined, wide-

backed calves by their sides. Some of these herds are pure-bred, but the larger percentage are of grade cows of superior quality. Pure-bred bulls of good type are allowed to run with the cows. Steers of different ages in the adjoining pastures, growing fat on the green alfalfa, show the splendid results of crossing pure-bred bulls on high-grade cows.

A visit to the principal stock-yards of Argentina, located in Buenos Aires, also emphasizes the value of the grading-up practices which have been in progress for many years. The type, size, and finish of the steers seen there are strikingly uniform. At this market cattle are auctioned off by the head and not weighed. In August and September, 1920, grass-fat steers were selling for 7 cents a pound.

The yardage charge at this market is about 45 cents a head for cattle, 20 cents for hogs, and 1½ cents for sheep. In addition, the seller allows the buyer 15 cents a head on cattle and 45 cents on hogs to reimburse him for possible losses on account of disease, bruises, etc. No allowance is made for sheep. The commission for selling is 3 per cent of the gross sales.

The demand for pure-bred cattle in Argentina is limited, but good prices are being paid for well-fitted animals of the type and breeding desired. It should always be kept in mind that the best in this country is the kind preferred by breeders in Argentina. Mediocre, half-fat animals are not wanted at any price.

The rate of exchange, tariff, and outbreak of rinderpest in Brazil have temporarily unsettled trade conditions between the United States and Argentina, but it is believed that when they again become normal there will be considerable demand for breeding cattle of our leading types, as well as for hogs, sheep, and horses.*

*In 1920 there were estimated to be 27,392,000 cattle of all breeds in Argentina.—Ed.

Dairy Cattle

The Argentine dairy industry is growing, but the large number of breeding-cows of the beef breeds being milked, together with the small population,* has not been conducive to rapid development of specialized dairying. As the population increases, there will undoubtedly come a greater demand for dairy products, and a corresponding increase in the demand for dairy cattle. In the country surrounding the large cities the dairy industry shows considerable development, with the Holstein breed occupying a position of prominence.

With the exception of foot-and-mouth disease, which generally occurs once each year and sometimes twice, there are few diseases and pests which trouble cattle in the central and southern sections of the country. This disease is, of course, particularly a menace to the dairy business, because it not only temporarily stops the milk flow entirely, but frequently reduces by at least one-third the total flow for that particular lactation period. Quite often, too, the calf is lost. Despite all these difficulties, however, the cheap grain, mild climate, and long grazing seasons make the dairy business on the whole a profitable one.

Sheep-Raising

Sheep-raising ranks next to cattle-raising in importance in Argentina. According to the 1918 estimates of the Argentine Department of Agriculture, there were 44,855,000 sheep in that country.† Of that number, 19,051,462, or 42 per cent, were in the province of Buenos Aires. In this district sheep are raised entirely in the open, being allowed to graze in pastures with cattle and horses. The fields range in size from 250 to 1,800 acres. Water is generally provided by windmills. The land is usually flat and the soil black. In most cases it produces excellent grass. In this section the rainfall is not always sufficient to insure a profitable grain crop; therefore grain production is not practiced extensively. On account of the high rents for land, the present tendency of live-stock men is to devote more time to the breeding of cattle rather than sheep. In sections of abundant grass high-grade cattle are preferred because of the larger profits. A flock of sheep generally consists of from 500 to 1,000 head. However, some breeders are subdividing their farms and reducing the size of their flocks in order to give better care.

The average capacity of the land is two sheep and one horse or cow for every five acres. Most of this region supports the three classes of live stock, but there are certain sections with cattle and horses only.

Live stock grazes all the year on natural pasture. It is understood that during a very hard winter small

amounts of feed, in the form of oats or alfalfa, are provided for a short period.

On the better farms a man and his family are employed who have the exclusive care of 1,000 to 1,500 sheep. These *puesteros* until 1915 received \$16 to \$20 a month, and in addition a small interest in the lambs which would amount to another \$7 a month. In some cases the owner of the farm provides the food for the *puestero* and his family; in other cases he provides only the meat. Since 1915 wages have increased 30 to 40 per cent, and expenses for food and clothing about 80 per cent.

In the Buenos Aires sheep-grazing region the land belongs to private individuals. It is estimated that about half of it is occupied by owners and half is rented. Rent for land varies from \$1.60 to \$3.25 per acre. Contracts usually cover periods of from three to five years. Since 1914 rents have advanced nearly \$1 per acre.

The production of sheep in the southern half of the Argentine Republic (Patagonia) is destined to great expansion. The climate is favorable, and there exist regions which, although of small carrying capacity, give excellent results for sheep, while unsuitable for agriculture or cattle-raising. These are for the most part public lands, the rent of which is moderate.

Hog-Raising

In spite of the fact that the mild climate and long growing season furnish the very best conditions for economical pork production, at the present time comparatively few Argentine farmers are raising hogs. It is believed, however, that large numbers will be raised in a few years, as many of those in the business now are making very large profits. On some of the large farms in the corn and alfalfa belts hogs are produced in very great numbers—often as many



DROVE OF HOGS FATTENING ON ALFALFA
ARGENTINE FARM

*The Argentine Republic has an area of 1,131,841 square miles (continental United States, 2,973,890 square miles), with an estimated population of 11,000,000, or about 9 per square mile (United States, 35.5).—Ed.
†45,309,000 in 1920.—Ed.

as 5,000 to 10,000 annually. It is the general practice to raise them in the open, barns or sheds being rarely used. Hogs are grown in what are known as the corn and alfalfa belts. In both these sections alfalfa grows abundantly and is the principal green feed.*

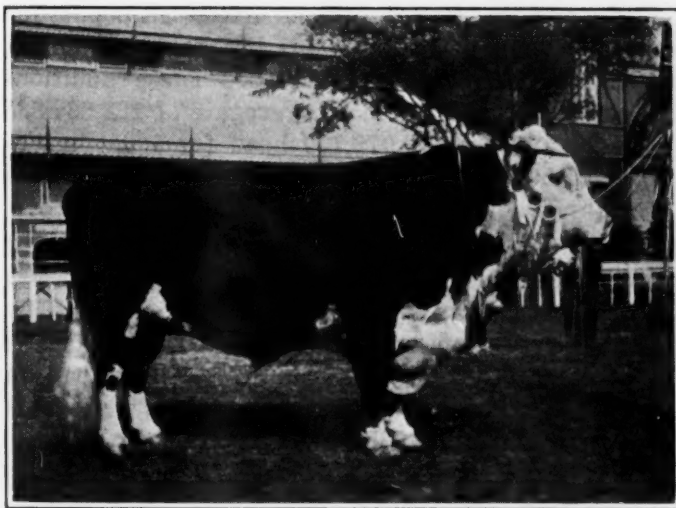
Two things—cholera and foot-and-mouth disease—menace the swine industry, and have thus far prevented its making more rapid progress. Steps are now being taken, however, both to manufacture anti-hog-cholera serum at home and to import it from the United States. About 8 per cent of the hogs killed are said to be affected with tuberculosis.

Argentina has in the past been a great corn-exporting country, but it is believed that more and more hogs will be produced and that in the future a much larger percentage of the corn crop will be marketed on the hoof. An increased number of swine will doubtless bring a greater demand for breeding animals, and the United States seems to be the logical place to get them.

Packer buyers were authority for the statement that most of the good-quality hogs raised in Argentina do not go through the public stock-yards, but are bought direct from the producer. There are several large packing plants in Buenos Aires and near-by large cities, which supply a ready market for cattle, sheep, and hogs. All these plants are located some distance from the stock-yards. This makes it necessary for the buyers to reload and ship all the stock, thus entailing considerable expense and loss of time.

The Palermo Exposition

The Palermo Live-Stock Show, held at Buenos Aires in September of each year, serves as a good



CHAMPION HEREFORD BULL, PALERMO SNOW, 1919

barometer of the export demand and the quality of animals desired. During the sales, which are conducted each day, the demand for high-class animals appears to be generally good, while plain individuals

usually sell relatively cheaply. In 1920 there were some phenomenal prices paid for the grand champions of each class. The Shorthorn, Hereford, and Angus champions sold for \$40,000, \$34,545, and \$12,727, respectively. Imported cattle from the United States and England, of special breeding with which the buyers were familiar, brought very good prices.

Sales commence on the opening day. Hogs are sold in the exhibition pens, by number, in the order in which they appear in the catalogue. A selling commission of 6 per cent is paid by the purchaser. The same general plan is followed in selling cattle and sheep. Cattle sales often continue for ten days after the closing date of the show.

Argentine stockmen make most of their purchases of breeding stock during August and September. Practically all of the animals are sold at public auction in some of the various sale-barns or on the Palermo show-grounds. One feature of this system is that the auction firm assumes all the responsibility for making collections.

The exposition grounds at Palermo are very beautiful and kept in perfect condition. The buildings are magnificently designed and well arranged around the judging-rings. All the judging is done in the open.

Exports from United States

Exports of live stock from the United States should be made in time to arrive at Buenos Aires and go through quarantine before the sale season opens. The quarantine period for cattle is thirty days, and fifteen days for hogs and sheep.

The commissioners believe that some high-class bulls of the Shorthorn, Hereford, and Angus breeds would bring good prices. Shorthorns are very much more in demand than other breeds. Inferior animals are not wanted and should not be sent. A smaller number of selected females should sell well. They should, by all means, be in prime condition. Holsteins are the principal dairy breed used. A few high-class bulls and cows would probably meet with ready sale.

Berkshires are the breed of hogs most used in Argentina. Yet, judging by the sale of the view herd sent down by the National Swine Growers' Association in 1920, there would be a good demand for Poland-Chinas and Duroc-Jerseys. The Argentine hogman wants a big-type hog, although he is not now raising it. Good, big, well-fitted, mature boars and sows seem to sell well. The sows should be bred and safe in pig. Under no circumstances should a doubtful breeder be shipped.

All hogs should be immunized to cholera and tested for tuberculosis. The tuberculin test is not required, but the shipper should take this precaution for his own protection, as all animals are tested by the Argentine government officials before they are released from quarantine.

*Argentina had, in 1920, 3,227,000 swine.—Ed.

The Live-Stock Estimates

THE CROP-REPORTING BOARD of the United States Department of Agriculture on February 15, 1922, issued its estimate of the number of head of live stock found on farms and ranges on January 1, 1922, with its revised estimates for January 1, 1920 and 1921. We quote the report in full:

The Crop-Reporting Board of the Bureau of Markets and Crop Estimates of the United States Department of Agriculture, from reports of its correspondents and agents, makes the following estimates of live stock on farms and ranges of the United States on January 1 (1920 and 1921 figures revised):

Note.—The census report for 1920 has the following explanation in regard to its figures: "The census of 1920 was taken as of January 1, and that of 1910 as of April 15. Since a great many domestic animals are born during the period between January 1 and April 15, and, on the other hand, a considerable number of older animals are slaughtered or die during the same period, the numbers of the different classes of animals for the two censuses are not fully comparable. In addition to the change in the enumeration, there have been certain changes in the age and sex classifications." This observation is also applicable to the estimates of the Department of Agriculture here given, and its previous estimates, inasmuch as the census is the primary basis of these estimates, which, although made as of January 1, since 1910 have been based on a census taken in April.

Farm Animals	Numbers		Values	
	Per Cent of Preceding Year	Total Number	Per Head	Aggregate
Horses—				
1922.....	99.4	19,099,000	\$ 70.48	\$1,346,154,000
1921.....	97.2	19,208,000	84.31	1,619,423,000
1920.....	96.8	19,766,000	96.51	1,907,646,000
Mules—				
1922.....	99.7	5,436,000	88.26	479,806,000
1921.....	100.5	5,455,000	116.69	636,568,000
1920.....	101.8	5,427,000	148.42	805,495,000
Milk cows—				
1922.....	101.8	24,028,000	50.97	1,224,767,000
1921.....	99.5	23,594,000	64.22	1,515,249,000
1920.....	100.6	23,722,000	85.86	2,036,750,000
Other cattle—				
1922.....	98.4	41,324,000	23.78	982,666,000
1921.....	96.8	41,993,000	31.36	1,316,727,000
1920.....	99.3	43,398,000	43.21	1,875,043,000
Sheep—				
1922.....	96.3	36,048,000	4.80	173,159,000
1921.....	96.0	37,452,000	6.30	235,855,000
1920.....	96.4	39,025,000	10.47	408,586,000
Swine—				
1922.....	101.6	56,996,000	10.06	573,405,000
1921.....	94.5	56,097,000	12.97	727,380,000
1920.....	96.2	59,344,000	19.07	1,131,674,000

N. B.—The number *not* on farms—i. e., in cities and villages—is not estimated yearly, but in 1920, as reported by the census, was: horses, 1,705,611; mules, 378,250; cattle, 2,111,928; sheep, 450,742; swine, 2,638,389.

The following changes in farm animals, compared with January 1, 1920, are indicated: In total value, horses decreased \$561,492,000; mules, \$325,689,000; milk cows, \$811,983,000; other cattle, \$892,377,000; sheep, \$235,427,000; and swine, \$558,269,000, in the two years from January 1, 1920, to January 1, 1922.

The total value on January 1, 1922, of all animals enumer-

ated above was \$4,779,957,000, as compared with \$8,165,194,000 on January 1, 1920—a decrease of \$3,385,237,000, or 41.5 per cent, in the two years.

Reliability of Estimates Open to Doubt

As has frequently happened in previous years, this bureau has executed a gymnastic stunt in attempting to harmonize its annual estimates with the census figures. Indeed, this performance has become so regular as to be monotonous. It tends to cast grave doubt on the value of these estimates, and should inspire some effort on the part of the officials in charge to evolve a more efficient and accurate method of calculating the annual changes in our live-stock population between census years.

In the report of the Crop-Reporting Board, as reproduced above, it will be observed that the phrase ("1920 and 1921 figures revised") is used, and that in the "Note" an attempt is made to explain the drastic revision by attributing the changes to a difference in the dates of the censuses, and inferentially to a difference in classification—which latter reason could not in any degree affect the totals. We should have been better satisfied if the department had frankly acknowledged the error or inadequacy of its methods, instead of endeavoring to excuse the disparity between its estimates and the census figures by a vague allusion to factors which could only in minor degree influence the totals, and for which due allowance could and should have been made.

For January 1, 1901, following the census of 1900, the Department of Agriculture made the following additions to its estimates of our live-stock population for 1900: on all cattle, 18,431,456 head; on sheep, 17,873,653; on swine, 19,902,786. These additions raised its estimates from an aggregate of 122,864,835 head for 1900 to 179,072,730 head for 1901—an increase of 56,207,895, or approximately 46 per cent.

For January 1, 1911, following the census of 1910, the 1910 cattle and hog estimates of the department were revised downward, and the sheep estimate was revised upward, as follows: Cattle were reduced by 8,578,000 head—a figure far above any possible change in numbers; sheep were reduced by 3,693,000 head—a change that would not excite any comment; while hogs were increased by 17,838,000 head.

Radical Revision Made Necessary

In the past the census figures on live stock have usually been published during the year of the enumeration, but the results of the census of January 1, 1920, for some unaccountable reason were not released for publication until June 8, 1921—almost a year and a half after the census was taken. Consequently the estimates of the live-stock population of this country

on January 1, 1920 and 1921, given out by the Bureau of Crop Estimates in February of those years, were issued before the census figures were available. The census figures for 1920 were, however, given consideration in the revision of the 1920 and 1921 figures, and in the estimate for January 1, 1922. As was the case with the two previous censuses, a revision of the estimate of the Bureau of Crop Estimates was necessary in order to preserve some semblance of harmony between the two sets of figures. We submit below the census figures of live stock on farms and ranges for January 1, 1920, compared with the first estimate of the Bureau of Crop Estimates for that year and its later revised estimate, issued on February 15, 1922:

	Census Jan. 1, 1920	Bureau of Crop Estimates for Jan. 1, 1920	
		Estimate of Feb. 1, 1920	Revised Estimate of Feb. 15, 1922
Beef cattle	35,424,458	44,385,000	43,398,000
Dairy cattle	31,386,378	23,747,000	23,722,000
All cattle	66,810,836	68,132,000	67,120,000
Sheep	34,984,524	48,615,000	39,025,000
Swine	59,368,167	72,909,000	59,344,000
Totals	161,163,527	189,656,000	165,489,000

The January, 1921, estimate of the Bureau of Crop Estimates was similarly revised downward. It will be noted from the above tabulation that the difference between the census figures and the first estimate of the bureau was 28,492,493 head of all three classes of live stock, while between the revised estimate of the bureau and the census figures the difference is 24,325,493 head. The disparity is not so great as the increase of 56,207,895 following the 1900 census, but it is surely big enough to create a justifiable distrust of these annual estimates put out by the Department of Agriculture. It cannot be explained on the ground advanced by the Crop-Reporting Board—the difference in the dates of the census enumerations for 1920 and 1910; nor is it even partly explained by the modification in classification.

Change of Dates Complicates Matters

The twelfth annual census was taken as of June 1, 1900; the thirteenth census was taken on April 15, 1910; while the 1920 enumeration was on January 1 of that year. This difference in dates obviously makes accurate comparisons between the census figures somewhat difficult, without taking into account other factors, such as births and slaughter. Presumptively, however, the Bureau of Crop Estimates did take into consideration these two factors of slaughter and births, and made due allowance for them when it translated the census figures of April 15, 1910, into its own estimates as of January 1. Reasonably accurate figures as to slaughter during the intervening period were available, and the census for 1910 purports to give the number of calves, pigs, and lambs

born after January 1, 1910. Hence a sufficiently close approximation was possible, which could and should have been made by the Bureau of Crop Estimates. Assuming this was done, then the estimates of the bureau immediately after the census were a fairly accurate reflection of the live-stock population of this country on January 1 of the following year—provided, of course, that we grant the unassailability of the census data.

"Inasmuch as the census is the primary basis" of the compilations of the Bureau of Crop Estimates, as stated in the explanatory note quoted above, the methods used by the bureau for determining the annual changes in live-stock population for the years intervening between census enumerations must be inadequate and unreliable, and should be either changed or abandoned.

Methods of Arriving at Estimates

THE PRODUCER has several times explained the methods used by the Bureau of Crop Estimates in determining its live-stock estimates as of January 1 each year. Briefly, the census figures are accepted as the basis every ten years, with some deviations which have never been satisfactorily explained. Reports are received from correspondents, which are tabulated and a composite percentage average is obtained, which is applied to the previous year's estimate. Any errors that may have crept into preceding estimates would, of course, be reflected in succeeding years. In an article by the assistant chief of the Bureau of Crop Estimates in the August, 1920, issue of THE PRODUCER this explanation of the methods followed in making estimates is given:

The Bureau of Crop Estimates has about 215,000 voluntary reporters—mostly farmers—on its various lists. It has forty-two paid field agents—one in each state (several small states under one agent)—and a clerical force in Washington of about one hundred. The local information regarding crops is obtained by schedules which the reporter fills in and returns, either to the state agent or to Washington. . . .

The method used by the bureau is the "sampling" method. Each report represents a sample, and a combination of all the samples affords a satisfactory basis for determining the entire crop, on the same principle that samples of only a few pounds, taken from a car of 60,000 pounds of wheat, will furnish a true indication of the character of the entire lot. By the law of averages, when large numbers of samples are combined the overestimates and underestimates tend to balance. For example, if the average unbiased error of a single estimate of yield per acre of potatoes is 15 per cent, either too high or too low, the probable error of the combination of 100 estimates would be slightly over 1 per cent, because many of the overestimates and underestimates would balance. If the unbiased error of a single report averaged as much as 20 per cent, the probable error of the combination of 10,000 reports would be an infinitesimal fraction of 1 per cent.

Similar methods are used in making up the annual live-stock estimates, although we understand that ordinarily only about 40,000 returns, more or less, are

compiled on live stock. This plan of estimating seems to result in more accurate forecasts on agricultural crops than on live stock. This may be because more frequent reports are required on agricultural conditions—acreage, probable yield, farm reserves, terminal supplies, etc. Possibly, also, the fact that the various state boards of agriculture devote more time and money to crop conditions, etc., than to live stock, and that their reports are available to the Washington office, may conduce to greater accuracy in the agricultural returns. We believe, however, that the main cause of faulty annual live-stock estimates is the lack of adequate funds to cover the field properly. We understand that the bureau has had less than \$25,000 available annually for this work—about one-tenth of the amount expended for reporting on all agricultural crops, including live stock. This is an insignificant sum compared with the farm value of live stock and the property devoted to it, aggregating more than \$10,000,000,000.

Insufficiency of Funds Available

Recognizing the inefficiency of present methods, and desiring to collect and disseminate more frequently reliable information as to live stock and live-stock conditions, the chief of the Bureau of Crop Estimates in 1920 asked for an appropriation of \$282,000 annually to carry out a comprehensive program of live-stock information, described by its proponents as follows:

It is proposed to show for each state, and possibly for each county, monthly, or as often as may be necessary: (a) number of each kind of animal; (b) age and sex classification; (c) numbers of pure-breds; (d) numbers bred and born; (e) numbers brought onto and moved off farms; (f) numbers slaughtered on farms; (g) numbers lost from disease or other causes; (h) numbers on feed; (i) condition of live stock; (j) feed and forage available, present and prospective silos and silage, condition and carrying capacity of pasture and ranges; (k) forecasts of production of swine, cattle, sheep, and their products, such as meat, hides, and wool; (l) farm prices.

Congress failed to appropriate the sum asked for. The bureau has thus been limited in its live-stock activities, and the same old unreliable information is the result.

We shall not attempt to discuss in detail the merits of the above proposition. At first glance it would appear that much of this proposed information could be eliminated until its statistical value, and the ability of the bureau to secure it promptly and accurately, were clearly demonstrated. The furnishing of accurate annual data as to the total number of each kind of domestic animals in the United States, age and sex classification, numbers on feed, and numbers bred and born, is no small undertaking. It would be much better to start off on a less pretentious scale, and do it right, than to spread out over a multitude of items,

with probable sacrifice of reliability. The trade is more concerned in accuracy than in mass information.

The bureau did not indicate in its proposition how it expected to ascertain the live-stock data contemplated in its program of 1920. If it intended to employ the present "sampling methods" based on the census, then we do not entertain any hope that such data would be any more reliable than previous ones. The instances cited above of the great variations between the bureau's annual estimates and the census figures are, to our mind, sufficient condemnation of that method as it has been pursued. Perhaps local crop reporters of the bureau are selected mostly with a view to their knowledge of agricultural crops; they may not be sufficiently familiar with the live-stock industry to report on it intelligently. Possibly, also, in states where live stock is the predominant industry there are too few reporters, or not enough care is exercised in their selection. These things might explain a part of the discrepancy between the census live-stock figures and the bureau's annual estimates. It is possible that better results might be obtained by abandoning the voluntary system of reporting, and substituting therefor a system with a few experienced men under pay.

A Quinquennial Live-Stock Census

If the infirmity of the present bureau methods as to live-stock reporting cannot be cured—and we doubt it—then it would seem that the only feasible plan is to have a census of live stock at least every five years—and preferably every two years—for a basis. In that case intermediate estimates could not get so far afield. We also believe that the machinery of the different states should be utilized in supplementing and verifying these federal data. Surely those states where live stock is one of the big industries could afford to appropriate funds to gather this information at least annually. Then the totals for all states, compiled by some federal agency or otherwise, ought to supply a reliable foundation on which the Washington bureau could predicate its annual estimates, or a safe yardstick by which to check them. Most European countries have annual live-stock censuses, and they marvel at the haphazard methods employed by us in taking account of one of our chief industries. A quinquennial census, as recommended by the recent Farm Conference at Washington, radical reforms in the live-stock reporting system of the Department of Agriculture, and a check with the various state compilations should result in annual estimates infinitely more reliable than are at present given out. THE PRODUCER firmly believes that something along this line should be done. Undoubtedly the different state live-stock organizations, in co-operation with the county or district organizations, could materially help.

Some Vagaries of the Revision

The Crop-Reporting Board, in its announcement of February 15, 1922, says that "the census is the primary basis" for its estimates. Nevertheless it will be noted from the tables showing the comparison between the census figures for January 1, 1920, and the preliminary and later revised estimates of the Bureau of Crop Estimates for the same date, that this "primary basis" is distinguished as much by its breach as by its observance.

The census credited the United States with having 35,424,458 head of beef cattle on January 1, 1920. The revised estimate of the Crop-Reporting Board for the same date (issued February 15, 1922) gives the beef-cattle population as 43,398,000—an increase over the census figures of 7,974,542. If the census is the "primary basis," why were its results not adopted in this case? Undoubtedly the board has reasons which appear sound to itself for declining to accept the census figures on beef cattle; but, when there is so startling a variation, even after "revision," we believe the live-stock industry is entitled to a full and frank statement of both the reasons and the data supporting them. Did the census make a mess of its live-stock figures on beef cattle? Upon no other hypothesis can we explain the action of the Crop-Reporting Board in practically ignoring these census figures. The public is entitled to some light on this question.

The Bureau of the Census found dairy cattle in this country on January 1, 1920, to number 31,386,378, while the revised figures of the board for the same date make the number 23,722,000—a difference of 7,664,378 head. Did the Census Bureau blunder also on dairy cattle, and did the Crop-Reporting Board decide to cure the error by the "sampling method"? Let us have light on that.

According to the census, there were 34,984,524 head of sheep in this country on January 1, 1920. The preliminary estimate of the Bureau of Crop Estimates for January 1, 1920, issued on February 1, 1920, gave the number as 48,615,000, or 13,630,476 head more. The revised estimate of that bureau, issued February 15, 1922, reduced its preliminary estimate to 39,025,000—a reduction of 9,590,000 head, but still leaving the sheep population for January 1, 1920, 4,040,476 head in excess of the census figures. What sort of private, undisclosed information is in the possession of the Crop-Reporting Board which warranted it in stopping after reducing our sheep population by 9,590,000 head on its "revised" basis? Why did it not take off the other 4,040,476 head, if "the census is the primary basis"?

On hogs the Crop-Reporting Board lopped off 13,565,000 from its preliminary estimate, bringing its revised figures to within 24,167 of the census figures. Why even that difference?

We do not wish to be considered as captiously criticising the Crop-Reporting Board for errors of omission or commission. As we have intimated, there must be an extenuating explanation, such as inadequacy of funds. It may be humanly impossible to make these annual estimates with any degree of accuracy, no matter how large the funds devoted to the task. This, however, is a serious matter to those who have their all invested in the live-stock industry. If correct information as to the live-stock population of the United States on January 1, 1919 or 1920, had been available, and had been recognized as reliable, perhaps some of the distress that has overtaken so many stockmen might have been avoided—prices might not have descended quite so far below cost of production.

The columns of THE PRODUCER are open for any explanation that the Bureau of the Census or the Crop-Reporting Board may wish to make on this important subject.

Estimate for January 1, 1922

By reference to the estimate of the Crop-Reporting Board for January 1, 1922, as compared with its revised estimate for January 1, 1920, the following decreases and increases will be noted:

DECREASES	
Beef cattle	2,074,000 head
Sheep	2,977,000 head
Swine	2,358,000 head
Horses	667,000 head
INCREASES	
Dairy cattle	694,000 head
Mules	9,000 head

The majority of stockmen will agree that there has been a substantial decrease in cattle, sheep, and swine since January 1, 1920. Many contend that the decrease is larger than this estimate indicates. In our judgment, the official figures of receipts and slaughter abundantly confirm the theory of a sharp decrease in available supplies.

SOME FACTS ABOUT LEATHER

THE AVERAGE MAN usually thinks of his half-soles as something manufactured out of an intangible raw material. He usually does not realize offhand that half-soles are by-products of the live-stock and meat industry, and that they are made largely from the hides of cattle. But when Mr. Average Man has been charged an exorbitant price for having his shoes repaired or resoled, he realizes it, especially if he is a cattleman, and wonders why, when hides are so low in price, shoe-repairing should be so high.

With hides as cheap as they have been for some time, many consumers of shoe leather may well wonder why it costs so much to get a new pair of half-soles. This is explained by one shoe-repair man, who says that good leather comes only from those parts of the animal in which good meat is found—the loins and the ribs. As a matter of fact, good leather is obtainable from many parts of the hide, just as good cuts of meat are obtainable from the chuck, shoulder, rump, round,

and other cuts than the loins and ribs. It is true, of course, that the best leather comes from the back of the animal over the loins and ribs, but it is equally true that other parts of the hide produce good leather.

Sole leather in September, 1921, was selling at wholesale only slightly higher than in 1913, according to quotations in the *Monthly Labor Review*, published by the United States Bureau of Labor Statistics. In September of last year oak sole leather, which is the best kind, sold for 52½ cents a pound. The average price in 1913 was about 45 cents a pound. Certainly the price of sole leather is no justification for the tremendous advance since 1913 in the charges made by many shoe repair men for resoling shoes.

It may be of interest in this connection to look briefly into the making of sole leather and the other leather used in shoemaking or repairing.

So far as the manufacture of shoe leather is concerned, the hides of cattle are used chiefly for sole leather, although some of the hides frequently are split into two or more thicknesses, which are used in making the parts of the shoe above the sole—the “uppers.” The greater part of the leather used in the uppers of women’s shoes and the higher grades of men’s shoes comes from calf- or goatskins. Calfskin, in fact, is the leather most extensively used in shoemaking.

Probably 50 per cent of the total number of cattle hides treated annually are made into sole leather, and about 25 per cent into upper leather. The rest go into belting, harness, etc. The following figures, from the census of manufactures for the year 1914, show the disposition of the cattle hides treated: number of hides treated, 17,457,591; number of sides used for sole leather, 18,097,665; belting butts, 973,591; harness sides, 2,943,720; side uppers, 8,257,645.

An examination of official figures shows that normally 50 per cent of the cattle hides used in the United States are imported, 65 per cent of the calfskins, and 98 per cent of the goatskins.

The number of cattle hides treated during 1920 probably was somewhat less than during 1914, since the domestic production and imports together totaled only about 17,000,000. It is not probable, moreover, that all of these hides were treated.

An untanned hide, suitable for upper leather, usually weighs from 25 to 60 pounds; one suitable for sole leather weighs from 40 to 70 pounds, and averages around 55 pounds. Hides weighing from 70 to 75 pounds and up usually are used for the heaviest kinds of belting. “Kips”—skins of the smaller beeves—weigh from 15 to 25 pounds.

William McAdoo, Jr., third vice-president of the Central Leather Company, testified on May 27, 1920, before the Senate Subcommittee on Manufactures that packer butt branded hides, June take-off, weighing 62 pounds (cured), yielded 45 pounds of sole leather. This was a yield of 72.6 per cent.

Sole leather is tanned and finished so as to produce a firm, solid texture, rather than one that is pliable.

The larger skins usually are cut along the back into halves or sides. The parts of each side are the head, shoulder, bend, and belly. The bend is the best part of the back, behind the shoulder. It contains the firmest leather of the entire skin and is used for the higher grades of men’s shoes.

In general, the lower down the sole is cut, the poorer its quality. Shoulder soles are “ribby.” Belly soles are used for insoles or slipper soles.

Injuries caused by grubs, ticks, and brands greatly lower the value of hides. Grubby leather is unfit for good outsoles, shoe uppers, harness, or belting. The pits caused in hides by tick bites give the leather a rough surface, making it unfit for many purposes for which a fine finish is necessary. Leather from branded areas is hard and brittle and of limited usefulness.

ness. Brands usually reduce the value of a hide from one-fourth to one-half.

The industry connected with the preparing of sole-leather parts is extensive. Such shoe parts as the soles, heels, insoles, counters, top lefts, taps, box-toes, and rands are produced in highly specialized factories, which supply them to the shoe-manufacturer in uniform size and quality. The sole-manufacturer usually utilizes the best part of the back. The counter-maker takes the better part of the bellies, and the makers of heels, top-pieces, and box-toes use the lighter, cheaper parts. The rand-manufacturer uses certain parts of the shoulder. Nothing is wasted, since small parts are used in the manufacture of leather washers, etc., and the trimmings may be ground and sold for use in a variety of ways.

COST OF RETAILING MEAT

A PRELIMINARY REPORT on the survey of the retail meat trade undertaken by the Bureau of Markets and Crop Estimates of the Department of Agriculture, as a link in the series of investigations of the cost of food distribution started about three years ago, has at last been given out. It deals with conditions as they existed in 1919. Some supplementary studies for 1921 have been added; hence, probably, the delay. Thirty representative cities and villages in different sections of the country were completely canvassed. In addition, six large cities (New York, Baltimore, Chicago, Memphis, New Orleans, and San Francisco) were partially covered. A full analysis of the accounts of 214 individual retail markets, with total sales for 1919 of \$24,646,587, and of 216 branch stores in 17 chain systems, with total sales of \$18,425,346, was obtained.

In order to make the data for the various classes of stores fairly comparable, a uniform practice in handling accounts was adopted. Proprietors of stores who also owned the buildings in which these were located were allowed a reasonable rental, which was included in operating expenses. Interest on all invested capital, whether owned or borrowed, was calculated at 6 per cent. Approximately the same salaries were figured for owners operating their own shops as those generally paid hired managers for shops of similar size, determined by volume of sales.

For the year 1919 it was found that the average gross profit of the retail dealer of meats in the United States constituted 18.86 per cent of the total volume of his business as measured by sales, the other 81.14 per cent representing wholesale cost of his stock-in-trade. This margin of 18.86 per cent was made up of operating expenses at 16.57 per cent, and of net profit at 2.29 per cent. The various elements in operating expenses were found to be distributed as follows:

	Per Cent
Wholesale cost of meats.....	81.14
Salaries and wages.....	10.25
Rent.....	1.33
Ice and refrigeration.....	0.77
Wrappings.....	0.76
Interest.....	0.51
Heat, light, and power.....	0.21
Miscellaneous.....	2.74
Total operating expenses.....	16.57
Net profit.....	2.29
Gross profit.....	18.86
Total sales.....	100.00

On the basis of these figures, the different items enumerated above composed the following percentages of operating expenses:

	Per Cent
Salaries and wages.....	61.86
Rent	8.03
Ice and refrigeration.....	4.65
Wrappings	4.59
Interest	3.08
Heat, light, and power.....	1.27
Miscellaneous	16.52
Total	100.00

These percentages represent average combined results for 190 individual meat markets with a preponderatingly family trade, and for 216 branches of chain systems catering to the same class of business. They include both carry and delivery stores, and consequently should give a fairly accurate idea of general conditions.

The difference in operating expenses between carry and delivery stores was found to average less than 2 per cent of the amount of sales. Delivery expenses averaged 2.62 per cent of the amount of sales, and 6.72 per cent of the selling price of goods actually delivered, which were seen to be only about 40 per cent of all the goods sold. Wages in delivery stores averaged less than 1 per cent higher than in carry stores.

Gross profits were approximately 2 per cent higher for the smallest than for the largest stores with a family trade, the difference being greatest for delivery stores. Total operating expenses took about 3 per cent more of the returns from sales in smaller than in larger stores. Salaries and wages in stores with smaller sales were relatively about 2 per cent greater than in those with larger sales.

Net profits of chain-store systems averaged over 1 per cent higher than those of individual markets. This is held to be due to lower operating costs, particularly lower wages, and to more perfect organization. The rapid growth of chain systems in recent years is an indication of their greater profitability. Between 1917 and 1921 ten large systems showed a growth of from 406 to 1,267 stores.

In stores with a large hotel and restaurant trade, whose business is on a semi-wholesale scale, operating expenses are naturally lower. Salaries and wages in such stores averaged nearly 3 per cent less than in stores catering primarily to the family trade, while cost of delivery was only 2.96 per cent, as compared with 6.72 per cent for family stores.

Operating expenses and gross margin were found to be relatively highest in the southeastern and Pacific coast states.

Based on a volume of beef, pork, mutton, and lamb which, in the proportions used by the Bureau of Labor Statistics for its index numbers (bacon, 86.47 pounds; fresh beef, 387.39; mess beef, 11.76; smoked ham, 83.03; lamb, 32.24; mutton, 24.05; mess pork, 116.27; veal, 22.90; total, 764.20 pounds), in 1913 cost \$100 at wholesale, the expense of selling this meat at retail was distributed as below in the four years 1913, 1919, 1920, and 1921:

	1913	1919	1920	1921
Cost of meat.....	\$100.00	\$192.40	\$173.70	\$126.77
Wages	\$ 14.82	\$ 24.30	\$ 27.95	\$ 27.87
Rent	2.56	3.16	3.53	4.02
Ice and refrigeration.....	1.15	1.83	1.99	2.05
Wrappings	0.74	1.81	2.26	1.40
Heat, light, and power.....	0.34	0.50	0.59	0.62
Miscellaneous	4.79	7.72	8.87	8.79
Total operating expenses	\$ 24.40	\$ 39.32	\$ 45.19	\$ 44.75
Cents per pound handled	3.19	5.13	5.91	5.86
Per cent of wholesale cost.....	24.40	20.42	26.00	35.29

Supplementing data culled from the report with official live-stock statistics as published in *Weather, Crops, and Markets* for February 18, 1922, we have compiled the following table, which compares fluctuations in average prices paid producers for live animals for the four years under review with the rise and fall of wholesale and retail meat prices and operating expenses for the same period:

	1913	1919	1920	1921
Average prices paid producers for beef cattle, per cwt.....	\$ 5.90	\$ 9.72	\$ 8.47	\$ 5.52
Per cent increase over 1913		64.7	43.6	-6.4
Average prices paid for hogs, per cwt.....	\$ 7.49	\$ 16.23	\$ 13.02	\$ 7.84
Per cent increase over 1913		116.7	73.8	4.7
Average prices paid for sheep, per cwt.....	\$ 4.54	\$ 9.58	\$ 8.42	\$ 4.61
Per cent increase over 1913		111.0	85.5	1.1
Cost of meat at wholesale, based on 1913 prices, as above.....	\$100.00	\$192.40	\$173.70	\$126.77
Per cent increase over 1913		92.4	73.7	26.8
Wholesale prices, native beef, average, cents per lb.....	12.75	22.40	21.80	15.55
Per cent increase over 1913		75.7	71.0	22.0
Retail prices, average for country, cents per lb.....	25.4	41.7	43.7	38.8
Sirloin steak.....				
Per cent increase over 1913		64.2	72.0	52.8
Round steak.....	22.3	38.9	39.5	34.4
Per cent increase over 1913		74.4	77.1	54.2
Rib roast.....	19.8	32.5	33.2	29.1
Per cent increase over 1913		64.1	67.7	47.0
Chuck roast.....	16.0	27.0	26.2	21.2
Per cent increase over 1913		68.8	63.8	32.5
Plate beef.....	12.1	20.2	18.3	14.3
Per cent increase over 1913		66.9	51.2	18.2
Total for five cuts.....	95.6	160.3	160.9	137.8
Per cent increase over 1913		66.7	68.3	44.1
Operating expenses, average retail store.....	\$ 24.40	\$ 39.32	\$ 45.19	\$ 44.74
Per cent increase over 1913		61.1	82.2	83.4
Wages, average.....	\$ 14.82	\$ 24.30	\$ 27.95	\$ 27.87
Per cent increase over 1913		63.9	88.6	88.1

No figures are published for veal, mutton, fresh pork, or cured meats.

Summarizing and analyzing this, we find the following percentage increase between 1913 and 1921 for each of the above groups:

	Percentage Increase from 1913 to 1921
Live animals—	
Cattle	-6.4
Hogs	4.7
Sheep	1.1
Average for three classes.....	-0.2
Meat, wholesale—	
Average for beef, pork, mutton, and lamb	26.8
Native beef	22.0
Beef, retail—	
Sirloin	52.8
Plate	18.2
Average for five cuts.....	44.1
Operating expenses, retail.....	83.4
Wages, retail	88.1

In other words, according to these figures, the wholesale price of beef, pork, and mutton, treated as a unit, in 1921 still remained close to 27 per cent above the 1913 level, while beef, hogs, and sheep on the hoof, taking the three together, actually netted the producer less in 1921 than in 1913. Native beef at wholesale, on the other hand, showed a rise of only about one-half that of five representative cuts of beef at retail. For this disproportionate advance in retail prices of meat, as compared with wholesale prices, the great rise in

operating expenses seems to have been primarily responsible. These expenses were more than 83 per cent higher in 1921 than in 1913. In the increase all the elements making up overhead shared in greater or less degree, but by far the most striking advance is shown by wages—the most important single item—which still were close to 90 per cent higher in 1921 than in 1913, and had remained practically stationary since 1920. The average wage of meat-cutter salesmen in 1913 was 32.26 cents an hour; in 1920, 60.87 cents; and in July, 1921, 60.78 cents. Certain localities, the report states, have shown a slight downward trend in wages in recent months, while in others no such tendency is noticeable.

This bears out the general observation that wages follow close on the heels of rising cost of living, promptly overtake it, and but slowly decline from the high point after commodity prices have dipped toward their previous level.

On the basis of the weighted average of the differential between carcass prices at wholesale and prices at retail of the five cuts above named, relative price differentials and relative estimated operating expenses in the retail trade for the past three years, as compared with 1913, are as follows:

	Price Spread	Op. Expenses
1913	100	100
1919	153	161
1920	165	185
1921	186	183

On this phase of the investigation the report comments:

"It is to be expected that the comparative spread in prices should conform roughly to the comparative change in operating expenses. In so far as there is failure to conform, there are a number of factors that may have had part in the variations. There is a variation in the quality of the beef sold at retail by reporting dealers. In the usual wholesale price quotations there is more or less variation over a term of years in the grade quoted. In the weighted average spread between wholesale and retail prices it is not possible to give exact consideration to all parts of the carcass. The decline in the price of suet and shop fat to less than one-half the pre-war prices and to less than one-fourth the highest prices of the war period necessitated slightly higher prices on the part of the retailer for edible meat in the year 1921.

"An element likely to be overlooked in comparing retail prices of meats is the fact that it is the preferred cuts that are holding high prices, while the less desirable cuts have declined greatly. While the average price of sirloin steak for the year 1921 shows a decline of approximately 10 per cent, and round steak and rib roast of approximately 15 per cent, from the highest year of the war period, chuck roast shows a decline of 20 per cent and plate beef a decline of 30 per cent. With the decline in prices of meats, consumers have shifted their demand for cheaper to more expensive cuts, and have prevented the decline of the latter.

"In general, the retail meat-dealer finds a rising market unprofitable and a falling market profitable, since on a rising market his retail prices cannot be moved upward so rapidly as the rise in wholesale, and on a falling market competition will not ordinarily force a decline in retail prices as rapid as the decline in wholesale. Accordingly it is probable that net profits of the retailer in the year 1921 were greater than in the rising market of 1918 and 1919; but, since the net profits of the retail dealer in the large number of concerns studied constitute less than one-eighth of the gross profit or total spread between the wholesale and retail—an average of less than three-quarters of a cent per pound on the entire carcass—a considerable change in net profits would make but a small change in the total spread between wholesale and retail."

The cost of living in the United States has decreased 19.5 per cent in the last eighteen months, according to figures recently announced by the Department of Labor. For the United States as a whole the cost of living is 74.3 per cent higher than it was in 1914.

"THE PRODUCER has surely given me good satisfaction, and I should hate to be without it."—GEORGE H. YOUNG, Hay Coulee, Mont.

THE CATTLE SITUATION

BY WILLIAM E. HOUGH
Los Angeles, California

CO-OPERATION between cattlemen, railroads, packers, and retailers constitutes the only possible constructive future policy for the live-stock industry. This fact is firmly imbedded in the minds of the men whose accomplishments are most vital to the success of that industry. Success in selling is even more necessary than the development of volume in production; for volume in production is useless to the cattleman without some assurance of just profits. And this success in selling can come only through a proper development of co-operation all the way from the producer to the retailer.

Compiled statistics show what has been done. They show estimated supply and demand; the relationship between production and consumption as between countries; exchange values; and, in fact, all details concerning our industry. These statistics are necessary and essential, but they are without value unless we use them to develop co-operative action based upon definite and constructive lines.

Support of National Association

To form those plans upon a broad basis, it is necessary that a definite and representative agency be established, and, when established, trusted. Whether or not the individual cattleman agrees with the policy of the representatives of the industry, or has joined forces with them, his success or failure will have its lasting influence on the results obtained by those representatives, and, in turn, their success or failure will affect his own profit-and-loss account. For this reason the cattleman must see to it that he is represented at the round table where the vital questions of the industry are at issue.

The American National Live Stock Association is to be the representative body of the industry, with Fred H. Bixby, of California, the newly elected president. Bixby is not afraid of responsibility, but he cannot work without support. It is up to the cattleman to make known his wants—the wants of the entire industry—in order that the president may do his part in procuring results comparable with those obtained in other co-operative industries. It is with this association that the packers, the railroads, the commission men, officials of the Forest Service, the reservation agencies, and the retailers take up the various phases in which they are separately interested. It is, therefore, absolutely necessary for every cowman to back his local organization, for every local organization to send its ablest representative to the county meetings, for each county to send its president to the state association, and for each state to confer freely with the national association. Then only will the cattleman get full results for his efforts. Given a strong organization built up in this fashion, the industry will no longer have to limp along. It can stand on its own feet and take care of its own problems.

At the present time the War Finance Corporation is temporarily functioning to the benefit of the cattlemen in an endeavor to tide over the period of disruption following the war. Under the stress of war, the government possibly was obliged to promote policies that have resulted in hardships to the stockman and, in some cases, in disaster. Be that as it may, the government is now doing a wonderful work. It is loaning money for a period of one year, with privilege of renewal to all who are worthy; and the American National Live Stock Association is already seeking an extension of two additional years. At the same time, association representatives are even now in Washington endeavoring to procure equal financial rights with exporters and others who are seeking government advancement.

In time, however, the work of the War Finance Corporation will cease, and in the meanwhile machinery should be installed by the cattlemen themselves to carry on the work of this organization. But to install such machinery and to finance ourselves, the industry must be truly systematized. Co-operation must be efficient to be of value. And the creation of this co-operation is up to the individual members of the association. Once co-operation is efficient, the men who will represent the association, with the aid of bankers and local companies, will devise efficient means to finance the industry; and by that time the cattlemen should be able to stand as an organization able to finance its worthy members and secure just results from those handling and manufacturing the finished products.

Anyone who buys on a low market and sells on a high market can work alone; but that is only a lucky point in the operation of business life, and does not tend toward the stabilization of the industry. We must be able, through co-operation, to aid in the carrying of our own load, just as the raisin-growers and the citrus-growers of California have turned their past failures into present success.

Financial Machinery Needed

What is the real situation? Banks and loan companies have done their share in carrying heavy loads. True it is that many have been increasing both their own burden and that of the cattleman in endeavoring to bring both ashore through rough water. Banking laws regulate bank operation. When banks cannot fulfil obligations, they are forced to close their doors. They are the pulse of the financial system. They handle the paper of loan companies. When they cease to do so, loan companies cease to operate. Most banks have had sad experience with cattle paper. It is up to all of us to rectify this feeling against our industry. I sincerely believe that bankers must be a part of some suitable machinery set up to finance our industry. The commercial banks handle liquid transactions. This continual turn-over enables them to assist all worthy producers in all walks of industry.

The cowman is a producer. His business is never ending. He is married to it, no matter how future prospects develop. He can never slacken his efforts. Therefore it is most essential that he be assured of a just return. As a rule, we in the live-stock industry are poor detail business men. Our business is done a great deal on verbal agreement, and a vest-pocket notebook is our usual set of books. If we are extended a loan, we take it all. For doing this we are required justly to pay more than 6 per cent, which in the aggregate equals what others are paying. We have been giving chattel mortgages on stock cattle—six months' paper—with the verbal promise of renewal.

Stock-cattle paper is not commercial paper, because when drawn we know it will not be liquidated within the six months. If financial panics arise, the verbal promises of renewal are impossible. Cattle are unlike such commodities as grain, raisins, or cotton. We have no uniform method of operating. Many of us cannot show our security. We do not keep accurate records of our business. Rumor may state that we are overstocked, and we cannot disprove this except during the best feed season of the year. With all of these handicaps, we must interview the banker. We want assistance, and we must have it to continue.

We should and must be the men to set up the proper machinery of financing. If it takes one year to get a steer, and three years is his average life, and it takes a year in advance to prepare for efficient operation, it will take at least four to five years to operate successfully. With this length of time, our cow judgment could be used without the ever-present thought of liquidation at the end of six months.

Operation of Open Range

The man who must feed his cattle through the severe months of winter must keep a close check on his herd. The open-range man of the southern states checks his cattle by calf brandings, yearling steer sales, and records of death loss. Being optimistic, he is inclined to exaggerate the ability of a cow and the carrying capacity of his range. This honest exaggeration is spelling ruin. The cattleman's final answer is always derived from his calves; not from what he thinks he branded, but from the number turned into money. His inventory of cattle is increased by the corresponding number of heifers left on the range. He must be sure that this heifer increase is not overstocking his range capacity. The average man, under fence, does not exceed a 75 per cent calf crop; more often it is 60 per cent. The best records and information show a 50 per cent calf crop on the open range to be exceptionally good. During the years of increasing yearling values up to 1920 the calf crops had been decreasing, and I doubt if the net revenues of 1920 were greater than those of 1916. Remember that the \$40 average yearling never made money for the man who finished with him. Meanwhile the cattleman's overhead had been increased from 150 to 200 per cent. At the present time this overhead is steadily decreasing. To insure success, calves must be produced.

Shortage of calves comes either from lack of bulls or from lack of feed to keep the cows in calf-producing condition. Just a word about bulls. The reproduction in the average herd of thoroughbreds brings about 10 per cent of super-animals, 50 per cent of No. 1 specimens, and 40 per cent which should be used for beef purposes. Therefore, in purchasing bulls, the producer must be sure of the breeding; then pick his individuals to build up that quality which his herd lacks. He must bear in mind that standard range cattle of today were built up by the reproduction of individuals of the best type. Figure the cattle business on a percentage basis. If borrowed money is costing 8 per cent, taxes 2 per cent, and operating expense 3 per cent, the cattleman will have to make 13 per cent before he breaks even. If he is getting only a 35 per cent calf crop, figuring over a period of years, how can he achieve success?

Market Outlook

Since the operation of the War Finance Corporation, courage has returned to the live-stock producer. He is not now being forced to liquidate. Cows are not easily purchased. It is safe to say that range cows have increased in value from \$5 to \$10 per head in the past thirty days.

The western states are short of cattle. Information states that the Denver market will be about 40 per cent short this spring. Because Denver is a great cow market, and there is a shortage of cows, the market on range breeding-cows will be further stimulated. The Ogden market is for the present cleaned up, with very few cattle in that territory on feed. Nevada has not over 50,000 cattle on feed, with buyers very active. The supply is away below normal. All markets on the Pacific coast are active and showing increased values. These facts are all encouraging, because they show us that we can count on the markets acting in their normal way.

The supply for the big eastern markets in the Corn Belt is reported normal. The supply for the past season was about 16 per cent short, while the feeders being prepared for beef purposes are only 14 per cent below normal. The demand for beef is below normal. Therefore the supply will be adequate to the demand, and we cannot expect any extraordinary prices for fat steers. Without doubt the eastern markets will show a steady increase until they reach their high point in June. When these normal conditions arrive, high freight rates and heavy shrinkage will prohibit eastern cattle flooding our western markets.

We cannot look for accelerated war prices. Remember that the producer was the first to sell at pre-war prices, and that other commodities and operating expenses must now seek their normal level. Not until they do will the producer enjoy a fair return for his efforts. South America has more supply than can be handled at present. Canada is reported well provided with beef cattle. If the steer market rises to anything like prohibitory prices, foreign supplies will automatically have their effect in the old economic law of supply and demand, regardless of import duties.

Cattle of milk-producing strain comprise 50 per cent of the total cattle of the United States and are a big contender in the supply of feed and veal. They find their way through the smaller slaughter and country butcher, where health inspection certificates are not standardized to federal inspection. This meat is in competition with beef from animals bred, raised, and fattened for strictly food purposes, where the betterment of food values is advanced just as the milk-producing quality is sought in the milk animal. Is the distribution of this meat to the uneducated public a good advertisement?

NEW CO-OPERATIVE COMMISSION COMPANIES PLANNED

AT THE SECOND MEETING of the board of directors of the National Live Stock Producers' Association, held in Chicago on February 14-17, it was decided to begin work at once in establishing co-operative live-stock commission associations at Chicago, Indianapolis, Cleveland, Buffalo, and Pittsburg, in addition to the one already in operation at East St. Louis since the first of the year. It is expected that the companies at Chicago and Buffalo will be ready to start operations by April 1.

In order to clear up any misconceptions that may have arisen concerning the policies of the new organization as a result of propaganda on the part of certain inimical interests, the following official statement was given out:

"The National Live Stock Producers' Association is the authorized association to put into effect the national live-stock marketing plan outlined by the Farmers' Live Stock Committee of Fifteen, whose report was unanimously adopted by a national live-stock conference on November 10 and 11, 1921. All state-wide and national live-stock and co-operative live-stock marketing agencies were requested to send delegates to this conference. Thirty-one state-wide and national organizations sent accredited delegates, who participated in the deliberations of the general conference and unanimously adopted the plan under which the National Live Stock Producers' Association is organized."

As emphasizing the desire of the association to work hand in hand with all properly conducted co-operative marketing agencies already in existence, under a common, nation-wide plan, rather than to create rival agencies, the following telegram was dispatched to the American Co-operative Congress, in session at Des Moines, Iowa:

"The National Live Stock Producers' Association, through its board of directors in session in Chicago, expresses the hope that your conference will co-operate in an effort to create and make effective a national co-operative live-stock marketing plan by uniting our activities with the thought of using existing co-operative terminal marketing agencies, and creating others whenever and wherever advisable."

In accordance with its determination to conduct the business on a cost basis, the board has announced that as soon as sufficient surplus and reserves have been accumulated all membership fees will be refunded.

No general manager has yet been chosen. President John G. Brown is in charge of affairs at general headquarters in Chicago.

CONVENTION OF ARIZONA CATTLEMEN

NOTWITHSTANDING CONDITIONS prevailing in the Southwest, a surprisingly large number of the members attended the annual convention of the Arizona Cattle Growers' Association, held at Globe on February 23 and 24, 1922. The keynote of the meeting was better organization to meet the many important problems demanding the attention of the cattlemen, and the convention will go on record as one of the most constructive accomplishments in the history of the association. Resolutions were adopted—

- Deploing death of E. H. Crabb, former president of the association;
- Indorsing the Sinnott bill, providing for leasing of public domain for grazing purposes;
- Opposing establishment of union stock-yards in California;
- Approving work of Biological Survey in extermination of noxious animals;
- Requesting extension for twelve months of powers granted War Finance Corporation;
- Recommending amendment of Farm Loan Act and increase of loan limit;
- Indorsing plan of Secretary of Agriculture for gathering live-stock statistics;
- Urging reduction of railroad rates, repeal of Section 15-a of Transportation Act, and extension of 20 per cent reduction of September, 1921, to short hauls;
- Urging reduction in rental charges on Indian reservations;
- Urging economy in state government;
- Asking for adequate tariff on live stock and its products;
- Requesting changing dates of payment of forest fees;
- Indorsing the American Remount Association;
- Thanking banks and loan companies for their assistance during these depressing times;
- Protesting against creation of additional national recreation parks;
- Opposing conversion of Kaibab National Park in Arizona into a national park;
- Indorsing Arizona Industrial Congress;
- Appointing committee to investigate feasibility of co-operative system for marketing of cattle in Arizona.

Henry G. Boice, of San Carlos, was elected president; A. C. Webb, of Roosevelt, first vice-president; J. M. Ronstadt, of Tucson, second vice-president; William M. Coburn, of Prescott, third vice-president; H. J. McClung, treasurer; F. E. Schneider, secretary.

MEAT CONSUMPTION

APPARENT PER-CAPITA CONSUMPTION of federally inspected meat during the month of December, 1921, as compared with December, 1920, is given as below by the Bureau of Markets and Crop Estimates (in pounds):

	Dec., 1921	Dec., 1920
Beef and veal.....	3.11	3.12
Pork (including lard).....	4.39	3.23
Lamb and mutton.....	0.34	0.34
Totals	7.84	6.69

CALENDAR

- March 20-21—Annual Convention of New Mexico Cattle and Horse Growers' Association, Las Vegas, N. M.
- March 20-22—First Annual Convention of United States Grain Growers, Inc., Chicago, Ill.
- April 3-6—Fifth Annual Inter-Mountain Live Stock Show, North Salt Lake, Utah.
- April 5—Meeting of Utah Cattle and Horse Growers' Association, Salt Lake City, Utah.
- April 10-11—Annual Convention of Western South Dakota Stock Growers' Association, Rapid City, S. D.
- April 13-14—Annual Convention of Wyoming Stock Growers' Association, Buffalo, Wyo.
- April 19-21—Annual Convention of Montana Stock Growers' Association, Butte, Mont.

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GENERAL BUSINESS CONDITIONS

UNEVENNESS AND HESITANCY continue to characterize business expansion. A definite, fairly uniform movement, even if its initial rate of progress were slow, would serve to inspire confidence and soon gather momentum through its own weight. Signs of such a movement are still largely absent. While reports of sporadic improvement are numerous enough, a survey of the whole field, offsetting conflicting tendencies against each other, reveals little change from last month.

Farm products—including both live stock and grain—have lately made gratifying advances, it is true; but, to get the right perspective, such prices as are now being quoted should be measured by the levels from which they have dropped, and checked with cost of production, rather than viewed against the background of the depths from which they are emerging. Hogs and sheep have been in the van of the procession, with cattle regrettably lagging behind. Domestic consumption of meat is still decidedly partial to pork, and packers are faced by the problem of getting enough of that commodity to satisfy the demand. Export trade, in both meats and cereals, though not up to previous records, remains relatively heavy, aided by the noticeable strengthening of foreign exchange, outside of Germany.

Some relief from the protracted drought that has blighted pastures and winter crops in the Southwest has been experienced, but a lot more rain is needed. On the other hand, northwestern ranges are blanketed with a layer of ice and snow that necessitates stock-feeding on a large scale, with heavy outlays for hay.

Generally speaking, both wholesale and retail business is yet on an unsatisfactory basis, dealers everywhere showing marked cautiousness, and the public still holding back, although improved agricultural conditions are beginning to be reflected in greater buying power. Iron and steel industries report increased activity. Coal and coke exhibit more strength, stimulated by the threatened walk-out in April, when around half a million miners are scheduled to quit. Textiles, affected by the continued strike of mill-workers in New England, are quiet. Silks are stronger, and wool remains firm. The hide market is dull, and shoe factories are partly idle. Automobile factories are operating on reduced time.

Most centers report a decided broadening of building activities, with consequent improvement of the unemployment situation. But what availeth it that ten thousand workers pick up their tools, when a million others at the same time lay down theirs?

Figures of our international commerce for January accentuate the tendency toward a trade balance which has been conspicuous throughout the past year. Our dwindling exports are, of course, an inescapable result of the reduced buying power of foreign nations, and are bound to continue their downward course until a remedy is found for the financial demoralization in the countries forming our natural market. This progressive loss of an overseas outlet for our surplus commodities, unless checked, will presently be reflected in lower prices to the consumer at home. What the effect will be on our agricultural producers and manufacturing industries is another story. Some additional declines in retail prices are noted for the past month, but such prices still average only 35 per cent below the peak, while wholesale prices have declined 45 per cent. Food prices, however, have again made a slight advance. *Bradstreet's* index number for the week ending February 25, 1922, was \$3.15, against \$3.05 for the week ending January 28, and \$3.16 one year ago.

Bonds and stocks are strong and active, money a shade firmer, collections generally slow.

THE RETAILER'S PROFIT

ELSEWHERE WE PRINT a summary of the preliminary report of the investigators of the Bureau of Markets and Crop Estimates who for the past three years have been canvassing and analyzing retail meat prices in all parts of the United States. Their findings of an average gross profit for 1919 of 18.86 per cent of total sales, and an average net profit of 2.29 per cent, for the retail meat-dealer, grouping all kinds of stores together—large and small, individual and chain, cash and credit, carry and delivery—are so greatly at variance with what we had been led to expect that they will be met by a considerable amount of incredulity.

It is unfortunate that the year 1919 was selected for this detailed analysis, as it appears from the report that in that year "the percentage relationship of operating expenses to volume of business was probably lower than at any other time." The report further states: "It is probable that net profits of the retailer in the year 1921 were greater than in the rising market of 1918 and 1919;" which confirms the popular impression. It should be noted, however, that the net profit for 1919 was calculated after the deduction of all expenses: a salary to the owner or manager based on the volume of sales, allowance for interest and rent, and all other fixed charges, as well as operating expenses.

There is remarkable uniformity shown in the gross and net earnings of the various kinds of stores. Probably in some instances there was only a slight profit, but the average of all shops investigated shows a reasonable net margin. It is worthy of comment that the retail meat business, which was quite profitable in 1919, and still more so in 1920 and 1921, presents a striking contrast to the tremendous losses suffered by stockmen and farmers during part of that time, as well as to those incurred by packers during the past year.

The most significant feature of the report is the widening margin of operating expenses, which for 1921 are given as 35.29 per cent of the wholesale cost of the meat handled, compared with 24.4 per cent for 1913, 20.42 per cent for 1919, and 26 per cent for 1920. Operating expenses per pound increased from 3.19 cents in 1913 to 5.86 cents in 1921. Wages and overhead here again appear to tell the story, rather than fat percentages of profit.

The adverse criticism of the spread between the price of live stock on the hoof and the wholesale price of meat, on the one hand, and retail prices of fresh meat, on the other, started in 1920 and growing in intensity during 1921, was so general throughout the land, and was apparently so well founded, that it seems surprising so little attention is given to it in this report. The only reference to the margin between wholesale and retail prices on fresh meat is predicated on the statistics of the Bureau of Labor, which, in our judgment, are seriously defective. It is regrettable that the report does not contain the result of independent investigation along this line.

In the cities and villages canvassed it was found that there was an average of one store for every 823 inhabitants. In congested sections of large cities it would seem that a considerably smaller number of stores could handle the business satisfactorily and more economically. No indication is given in the report as to whether the investigators concluded that the retail meat business was overdone in any locality. That was the finding of the Department of Agriculture in its retail investigation conducted in 1909, and

would explain the combination of high retail prices with comparatively low profits.

The report shows that for 1921 a representative amount of different kinds of meat, totaling 764.20 pounds, cost at wholesale \$126.77, or approximately 16.6 cents per pound, and that the operating expenses in selling this meat at retail (exclusive of any net profit) averaged 5.86 cents per pound, or 35.29 per cent of the wholesale cost. It would be interesting to know what the operating margin was on the various classes of meat—bacon, hams, and other cured meats, as distinguished from the fresh article. The relatively small percentage of choice cuts in a beef carcass was no doubt sold on a margin much above the average, while other cuts were sold below the average carcass cost. We hope the final report of the bureau will contain this information.

PAYMENTS OF GRAZING FEES

REQUIREMENTS that grazing fees on national forest ranges be paid thirty days in advance of the time the stock enters the forest were waived by an order issued January 25 by Secretary Wallace. Under this modification of the regulations, the payment of fees for 1922 is permitted to be made in two equal instalments, the first of which must be made on or before the date stock enters the national forest, and the second on or before December 1, 1922. No interest will be charged on the deferred amount. Grazing permits will be issued at the time of the initial payment, but each permit will contain a stipulation that failure to make final payment will cause revocation of the grazing preference.

At the Colorado Springs convention of the American National Live Stock Association a resolution was adopted urging that the payment of fees for 1922 be postponed until December 1 of this year.

STATES LOSE RATE-MAKING POWER

THE SOVEREIGNTY OF THE STATES in the matter of regulating intrastate railroad rates and charges was practically wiped out in a decision of the Supreme Court of the United States rendered February 27, 1922, by Chief Justice Taft. The decision was not unexpected. Transportation regulation has been drifting that way. Even before the radical amendments to the Interstate Commerce Act of 1887, by the passage of the so-called Transportation Act of 1920, the Interstate Commerce Commission, under Section 3 of that act, had been exercising a limited authority over intrastate rates and fares, notably in the Shreveport case. The passage of the Esch-Cummins bill (Transportation Act) on February 28, 1920, virtually gave the commission supreme power over intrastate, as well as interstate,

rates and charges. Under that authority the commission rendered its celebrated decision, known as *Ex Parte 74*, in August, 1920, making a uniform percentage advance in all passenger fares and a varying percentage increase in freight rates in the different groups which it established. The state commissions denied the authority of the Interstate Commerce Commission over strictly intrastate charges, and two cases, both relating to passenger fares—one brought by the railroad commission of Wisconsin and the other by the State of New York—were carried to the Supreme Court of the United States. In both cases the decision of the Interstate Commerce Commission and the constitutionality of the Transportation Act were upheld by that body, without dissent.

"Commerce is a unit and does not regard state lines," declares the decision, when necessary to remove "undue or unreasonable and unjust discrimination against interstate commerce." We quote the following brief extracts from the court's opinion:

Congress in its control of the interstate commerce system is seeking in the Transportation Act to make the system adequate to the needs of the country by securing for it a reasonable compensatory return for all the work it does. The states are seeking to use that same system for intrastate traffic. That entails large duties and expenditures on the interstate commerce system, which may burden it unless compensation is received for the intrastate business reasonably proportionate to that for the interstate business. Congress, as the dominant controller of interstate commerce, may, therefore, restrain undue limitation of the earning power of the interstate commerce system in doing state work. It can impose any reasonable condition on a state's use of interstate carriers for intrastate commerce it deems necessary or desirable. This is because of the supremacy of the national power in this field. . . .

Interstate and intrastate commerce are ordinarily subjected to regulation by different sovereignties; yet when they are so mingled together that the supreme authority, the nation, cannot accept complete active control over interstate commerce without incidental regulation of intrastate commerce, such incidental regulation is not an invasion of state authority. . . .

Intrastate rates and the income from them must play a most important part in maintaining an adequate national railway system.

Under this decision the various state regulating bodies have no real power left over intrastate traffic. Nominally they possess a slender advisory authority at the sufferance of the Interstate Commerce Commission.

In the light of this far-reaching and revolutionary announcement of the Supreme Court, Congress should lose no time in passing the Capper bill repealing Section 15-a of the Transportation Act, which, in effect, seeks to guarantee the carriers a certain annual income, based on the value of their property, and directs the Interstate Commerce Commission to prescribe charges throughout the entire country so as to yield such income. Even after the repeal of this section, it is a grave question whether state legislatures or

state commissions can prescribe any strictly state rates that might unduly prejudice interstate traffic.

The states never delegated to the federal government any authority over state rates, and this decision will excite much bitter opposition from them on the ground of usurpation of state rights. Congress will undoubtedly attempt to clarify the situation by further legislation.

A few of the state regulating bodies have at different times prescribed schedules of rates and fares which have concededly been much lower than the interstate charges prevailing in the same territory. They have sought to protect and encourage state traffic at the expense of interstate traffic. This has been notoriously the policy of some of the state commissions and state legislatures. Had they exercised their authority fairly and reasonably, with due regard to the just interests of interstate traffic, they would not today, in the judgment of *THE PRODUCER*, be shorn of their power and influence. But, notwithstanding all this, we believe in state regulation of intrastate rates and charges, as opposed to the centralization of this power in the federal government. That, we also believe, will be the view of Congress.

APPLICATION FOR REDUCED RATES

APPPLICATION has been filed with the Interstate Commerce Commission, asking that the rates on range cattle from the Southwest to northern and western pastures and ranges be restored to the basis in effect previous to August 28, 1920, when the percentage advance announced in *Ex Parte 74* became effective. Senator Kendrick and Attorney Cowan appeared before the Interstate Commerce Commission on March 1, in support of this request, and arrangements are being made for a general conference on this subject between the carriers, the Interstate Commerce Commission, and representatives of stockmen, to be held in Washington, D. C., on March 10, 1922.

The rates on this range movement which prevailed previous to the advance made by the Director-General of Railroads in Order 28, dated June 25, 1918, were as high as the traffic could stand. Lofty freight rates from the Southwest to northern ranges, added to high freight rates from ranges to market, extract so large a percentage of the value of cattle as seriously to affect the movement. Unless the old basis is restored, the business of buying young, thin cattle in the Southwest and shipping them to the Northwest will gradually diminish. If carriers serving the northern ranges really desire to have them restocked, they should put into effect rates that will encourage, and not discourage, the movement.

FARMERS MAY CO-OPERATE

THROUGH THE PASSAGE by Congress of the Capper-Volstead bill, exempting co-operative marketing associations from the provisions of the anti-trust laws, the lawfulness of combinations of food-producers for buying and selling has been placed beyond doubt or attack. An act like this was perhaps needed to satisfy the legalistic mind; but the thing itself is so inescapable a result of modern economic evolution, and so matter-of-course in all its moral implications, that any merely juridical objection was bound to be smothered under the weight of common-sense. Why should agriculture be barred from utilizing methods in the promotion of its interests which are being practiced, openly or covertly, by every other important industry in the country? Why should farmers and stock-raisers be denied the privilege of collective bargaining so highly prized and so lustily indulged by organized labor? On what grounds of policy or equity can the greatest food-producing nation in the world be restrained from adopting methods long ago sanctioned by its competitors, and which are the very weapons in the hands of the latter which are threatening its supremacy? Co-operation has brought wealth to the Danish farmer; co-operation, it might well be, will be the savior of the American.

In politics as in religion, dogmas live and have their day. Certain superannuated definitions of "combinations in restraint of trade" are destined to glide out of the consciousness of the next generation as smoothly and unobserved as some of the economic shibboleths with which our fathers used to conjure have slipped out of the vocabulary of the present. Theories never fixed the orbit of a planet, nor has the fetish called precedent in the United States long been suffered to impede the wheels of progress. If we have brought with us from across the sea a certain heritage of reverence for codified phrases, we have proved ourselves not without capacity for assimilating experience.

THE GOVERNMENT NEWS SERVICE

WE HAVE MENTIONED the suspension, from December 1, 1921, of certain government periodicals, notably the *Market Reporter* and the *Monthly Crop Reporter*, through failure of Congress to provide funds for their continuance. Beginning with January 1, 1922, a new weekly, under the name of *Weather, Crops, and Markets*, has been issued by the Bureau of Markets and Crop Estimates, combining, in somewhat condensed form, the information previously contained in the separate publications. While missing some of the data for which we had been wont to look to the discontinued periodicals, we find the new paper, on the whole, a very serviceable medium for dissemination of the many essential details

pertaining to the subjects comprised in its title which the government alone can satisfactorily collect and distribute.

We wish, however, to emphasize the great importance of continuing the crop-reporting system uncurtailed. The hands of this very useful service should not be manacled. The information emanating from this source has far more than a merely statistical value, and no other agency is prepared to furnish it.

FOOT-AND-MOUTH DISEASE IN ENGLAND

OUR ENGLISH LETTER in this issue reports that the most disastrous foot-and-mouth outbreak in history is now raging in Great Britain. Every occurrence of that disease in the United States has been traced to foreign origin, and the Bureau of Animal Industry should be on the alert to prevent this epidemic from getting a foothold on our shores.

BAD WEATHER HAMPERS WESTERN CATTLE-BREEDER

J. E. P.

DROUGHT IN THE SOUTH and sub-arctic severity in the North have made a bad combination for western livestock growers. Late in February parched southwestern pastures were relieved, materially improving physical conditions, although the spring crop of grass beef from that quarter will be considerably below normal in consequence of the dry winter. Rain has had the logical effect of strengthening the stocker market, as cattle above the tick line are in a strong position.

A lot of stuff below the tick line must be moved this spring—a movement that will require considerable financial assistance. To make these cattle eligible to Kansas or Oklahoma pastures, two dippings will be necessary. The tick-eradication movement in south Texas has assumed wide scope, and, as clean pastures are scarce, owners in the territory where cleaning-up is in progress have the alternative of shipping to market or putting their stuff in shape to go to Kansas and Oklahoma pastures. There is possibility of a Mexican outlet later on.

In the Northwest winter losses among cattle out on the open range will probably be severe, as the whole country has been under an ice sheet for weeks. Feed is abundant, however, and close-herding has been extensively carried on, so that the loss in the aggregate will be minimized. A winter like the present would have been disastrous to the industry had the plains been full of cattle under the necessity of rustling for a living.

Present indications are that few southern stock cattle will go north this season. Prospective buyers insist that asking prices are beyond their present means, if, indeed, the risk incident to carrying cattle two years was not a handicap. The whole Northwest needs cattle in the worst way, the industry facing an unprecedented restocking proposition.

"You bet I am pegging for THE PRODUCER down in this part of the world, as I think lots of the magazine and think all stockmen should read it."—HUGH ALLEN, Mancos, Colo.

THE STOCKMEN'S EXCHANGE

TAX VALUATIONS ON LIVE STOCK IN NEVADA

RENO, NEV., February 14, 1922.

TO THE PRODUCER:

Tax valuations on Nevada cattle and sheep for recent years have been as follows:

	Cattle	Sheep	Per Cent of Full Value
1915	\$30.00	\$3.50	70
1916	33.00	4.00	80
1917	36.00	8.00	80
1918	38.00	9.00	90
1919	38.00	9.00	90
1920	37.00	8.00	90
1921	32.00	6.00	100
1922	28.00	4.00	100

In 1919—the year that our association was organized—the Tax Commission came to the conclusion that more revenue was needed, and finally decided that an increase of 18 per cent on all land valuations, and of 20 per cent on farm improvements, would fill the bill. No attempt was made to make any increases on other classes of property. In fact, when it is considered that railroads and other public utilities pay 45 per cent of our taxes, land and live stock 30 per cent, mines 7 per cent, and town and business property around 18 per cent, it will be seen that no material additional revenue could be raised by flat valuation increases except on railroads and other public utilities, land and live stock, or town property. Railroads and other public utilities have strong organizations, and always have representatives sitting through every session of our taxing boards. Mines under our laws are taxed only on net receipts. Commercial and other business clubs in our towns have no difficulty in arousing a majority of our voters whenever an attack is made on town property. This left our scattered agriculturists as a fair target.

Though we were just finding our feet, we promptly protested this increase. However, the order was issued, and our assessors made up their rolls on the basis of the increase. We had to engage legal assistance. After a long battle, the order was rescinded, and valuations were left as they had previously been.

I recently computed that, had the increase gone on, by the end of 1921 our interests would have paid \$500,000 in extra taxes. During the battle it was found that the state did not need this increase. This was proved by the fact that no alternative plan was adopted after the order was rescinded. The next year a slight increase in all valuations was made; but this was applied to all classes of property, with no attempt to single us out.

At the sessions of our tax boards for 1920 and 1921 we have had our representative present, armed with data concerning land and live-stock valuations. To disprove a statement made by the Board of Equalization to the effect that land and live stock do not pay their proportionate share of taxation in Nevada, and also that, as a result of war-time prices, our stockmen profited and became immensely wealthy, we pre-

pared a considerable volume of statistics, among which were charts showing just how the stockman's income and expenses went up and down during the war period, and what percentages of taxes were borne by the main tax-paying classes of property according to gross income. These figures apparently convinced our state officials that the cowmen were worse off at the end of 1921 than they were in 1914, and that the sheepmen were just about at a stand-off. Added to this was the fact that, starting with expenses and income at 100 in 1914, the end of 1921 found our cowmen with prices around 20 per cent below those prevailing in 1914 and with costs 20 per cent above the 1914 level. Our sheepmen were left at the end of 1921, or in the fall when the lambs were sold, with prices 8 per cent below the 1914 level and with expenses 55 per cent above that level. Our statistics as to the relative share of taxation borne by mines, railroads, and other public utilities, and land and live stock (which latter are really one in Nevada) showed rather conclusively that land and live stock were really doubly assessed, since they first hit us on our land and then assessed the crop, which is live stock. For each million dollars of gross income, our figures showed that mines paid 0.3 per cent, railroads and other public utilities 1.2 per cent, and land and live stock 2.2 per cent of the taxes.

Our state board has apparently always been obsessed with the idea that live-stock valuations must be placed high because all stock is not turned in for assessment. Generally speaking, while property in Nevada is theoretically being assessed at 100 per cent of its value, an appraisal of town property in Reno last year showed that this class was being assessed at about 65 per cent of its appraised value. Outside of automobiles, cattle and sheep are assessed at closer to full cash value than any other class of property.

Last year we presented the argument that valuations should not, under our law, be based on the value of the best animals in our flocks and herds, but at least upon the average. Our live-stock valuations must be fixed each fall for the succeeding year. As an example of our plan, we might refer to sheep. Right now top breeding ewes might be valued at \$10. The average life of a ewe on a productive basis is about six years. To get an average for our bands, since most of our sheepmen raise their own replacement stock, it seems only fair to depreciate the value of the stock ewes by years down to, say, \$2 for the aged stuff. This would, even with existing prices, give us an average of close to \$6. Sixty-five per cent of this—the percentage being applied to town property—would fix the valuation at slightly under \$4. Of course, last fall, when the \$4 valuation was fixed, our best ewes were figured considerably under the \$10 valuation now existing. We argued the same plan for cattle.

Our biggest headway in land and live-stock taxation has come from being organized and having a representative at all board sessions—a practice which the railroads have followed for years. By presenting clear-cut data, charts, etc., we have largely done away with the idea on the part of our officials that we were escaping our fair share of taxation. We are now

conducting a further study of our land and live-stock taxation matters, from which we hope to show that we are still being discriminated against—largely, of course, from lack of accurate information as to our condition.

Here, in my opinion, lies one of the biggest arguments for an organization such as ours. A big crowd of widely scattered producers, with no head, can really expect nothing from our various state and federal agencies charged with all manner of regulatory powers over their business, except much action taken on a basis of misunderstanding. Such men do not and can not know the details of our business. The more we deal with these various agencies, the more we learn that they mean to do the right thing. But with no official agency with which they can co-operate, from which they can secure information backed by the industry as a whole, and with which they can counsel, it is something akin to a miracle that we have not been handed worse jolts than we have.

VERNON METCALF,
Secretary, Nevada Land and Live Stock Association.

TAX VALUATIONS IN UTAH

SALT LAKE CITY, UTAH, February 23, 1922.

TO THE PRODUCER:

On January 25, 1922, a committee of Utah cattlemen met with the State Board of Equalization and secured a reduction in valuations of \$2 per head on calves under two years of age, \$1 on cattle between two and three years, and \$2 on cattle more than three years old. The valuations now stand at \$16, \$24, and \$28, respectively. This means a reduction in assessed valuation of approximately \$750,000 for the stockmen of the state. We feel, however, that we are entitled to a further reduction of at least \$1 a head, and we think this may be secured if we go after it in the right way.

A meeting of our association will be held here on April 5, during the week of the Inter-Mountain Live Stock Show, at which taxation of range cattle, marketing problems, and other important subjects will be discussed. Every stockman in the State of Utah ought to attend.

ALONZO BRINKERHOFF,
President, Utah Cattle and Horse Growers' Association.

CATTLE-MARKETING IN SCOTLAND

UVA, WYO., February 26, 1922.

TO THE PRODUCER:

On my recent visit to Scotland (February, 1920, to February, 1921) I found the live-stock industry in a very prosperous condition, owing mostly to government price control. Beef on the hoof was selling at 23 cents, and on the block—top cuts—at 48 cents. The farmer was receiving his due, and the consumer was not being robbed.

Early in 1921 grain took a 50 per cent tumble, and, the control having been removed in March, about six months later beef took the same slide. On November 6, 1921, my brother-in-law, who is managing director of the well-known firm of Scottish packers, Messrs. Marshall & Co., Ltd., Aberdeen, wrote me that in Aberdeen that day he had bought forequarters of beef at 3½d. and 4½d. per pound (the exchange being at that date around \$3.90 to the £1). This was in Aberdeen—and the combination of Aberdeen and beef takes some beating!

The farmer is now feeling very sorry for himself, although for various reasons he is more fortunate than his comrade on this side of the Atlantic. In the first place, farm produce in the old country was about the last in a succession of

slumping products; here it was about the first. There the farmer mostly sells at home; or, if he decides to "ship," he seldom has to rail over thirty miles to market, where his cattle are sold at auction—a method which insures market value. The cattle are there slaughtered, saving a long haul on the waste and saving a long return haul on the fertilizer.

In Scotland the marketing method is different from ours. A farmer sells a few cattle every week or two, thus maintaining a steady market. This, and the fact that the family has probably been in the district for generations and is known for its actual worth, make him certain of the credit to which he is entitled. All things considered, the American farmer would probably think that his brother in distress over there had much to be thankful for.

I am sometimes inclined to the view that the auction ring would be a preferable method of selling our cattle at market. We should be more certain of getting market value, and it would insure that a better shipment was not being used to help to sell poorer stuff. And—as I am voicing grievances—I should feel better if the commission on my \$50 steer was 50 per cent less than on the \$100 steer of my neighbor.

F. S. MITCHELL.

KANSAS FEEDERS BUYING STEERS

GARDEN CITY, KAN., February 20, 1922.

TO THE PRODUCER:

Steer-buyers from eastern Kansas are rather active in these parts at present, and quite a number of transactions have been closed. From \$58 to \$60 is being paid for three- and four-year-olds weighing around 1,000 to 1,025 pounds. The supply, however, seems to be short. There are inquiries for cows, but cows are very scarce in this section.

V. V. PARR.

GREEN FEED SHORT IN CALIFORNIA

RED BLUFF, CAL., February 13, 1922.

TO THE PRODUCER:

We have been having exceedingly cold weather lately in this part of California, and feed conditions are far below normal. Our rainfall has been very short. In freezing weather there is little green feed, and cattle are dependent on the old grass. Grass beef will be fully a month late.

T. H. RAMSAY,
President, California Cattlemen's Association.

STOCKMEN SHOULD IMPROVE THEIR COLLATERAL

SALT LAKE CITY, UTAH, February 13, 1922.

TO THE PRODUCER:

While the causes of the present depression have formed a subject for discussion at every meeting of western live-stock producers, little attention has been given to means of improving conditions in the future. One of the most important problems with which stockmen have to deal is the value of their collateral. In the past they have obtained their loans from eastern commission firms, which, after allowing them a minimum amount per head on their cattle and sheep, rediscounted their notes. This paper was in the nature of a chattel mortgage—and a very safe one after the commission firms had indorsed it.

Many stockmen have invested in land. These holdings,

from which they hope to derive a speculative increment, are considered a ready collateral. But they do not constitute the liquid asset required by the banks.

The uncertainty governing market prices of live stock is out of keeping with intrinsic values. Our live stock has improved, but this fact is not appreciated by the banks. The breeder of pure-breds who depends on sales should not only strive to make his stock more acceptable as collateral, but realize more on it relative to its value. Many owners of live stock have inflated ideas as to its value. They should understand that the cattle and sheep which they offer as security for loans must possess an equitable value. Interest is not high, and if the integrity of the collateral is beyond question it is always possible to get a loan. The difference between price value and intrinsic value lies at the center of the difficulties of western stock-growers.

S. S. DOUGHERTY.

NEVADA HAS SEVERE WINTER

RENO, NEV., February 14, 1922.

TO THE PRODUCER:

Western Nevada recently had the biggest snowstorm experienced in this part of the state for a good many years. If the sun now should break through in earnest, there are bound to be some floods. A similar situation exists in the northeastern section. Hitherto there has been little thawing. The month of January was marked by severe weather, but, so far as I have been able to learn, there were no serious losses of stock. The winter, however, has been rather unfavorable for fat-stock feeders. Cattle especially have failed to put on flesh.

VERNON METCALF,

Secretary, Nevada Land and Live Stock Association.

HARD WINTER IN MONTANA

MELVILLE, MONT., February 10, 1922.

TO THE PRODUCER:

We have had a tremendously hard winter so far in this locality. Constant storms since a week before Thanksgiving have necessitated steady feeding. There is, however, plenty of feed in the country for what stock is left; but high winds and incessant cold have caused a heavy shrink. If the stockmen can get financed before summer, they will be in the market for steers and breeding cows.

W. H. DONALD.

SEVERE WEATHER IN WYOMING

SHERIDAN, WYO., February 21, 1922.

TO THE PRODUCER:

It looks as if Providence had a grudge against us in this part of the world. Following the drought and grasshopper scourge of last summer, the range is now covered with a blanket of snow and ice which makes it necessary to feed everything and keeps us busy trying to find money to buy hay. However, we still have hopes that we shall manage to survive.

R. M. FADDIS.

"Am well pleased with THE PRODUCER and should be disappointed to be without it. James E. Poole's market letters are worth ten times the cost of the paper, to say nothing of the many other items of information it carries."—J. M. ENOCHS, Sheridan, Wyo.

SIGNS OF THE TIMES

BY FRANK D. TOMSON

THERE HAS DEVELOPED an active demand for breeding cows in the country for restocking purposes. It is a natural and a wholesome situation. There has also developed an active market in beef cattle, in harmony with the hog and sheep situation. With hogs selling around ten cents, there is a feeling of encouragement among producers and feeders. Why shouldn't there be? While grain and feed values are advancing, they are comparatively low when the prices of a few months ago are considered. The cost of production and maintenance is less now.

As the price of cattle moves upward, a feeling of confidence becomes general. In February an offering of registered Shorthorns was sold at auction at Knoxville, Tenn., for an average of \$522 on thirty-eight head, and the settlements were practically all in cash. The buyers all came from the southern states, where it has been understood financial distress has been general, due to the cotton situation. Perhaps the fact that cotton has been draggy has inclined the plantation-owners to mixed-farming practices. If that is true, the decline in cotton was not without its blessing.

Evidently there is a general tendency among farmers to get back into stock-raising. They are warranted in doing so; for they provide thereby the most profitable channel for marketing their crops, and they build into their soil a value that other systems fail to do. And it must not be overlooked that the increasing of value in the producing power in the acres one owns is one of the surest earnings that may be provided.

There seems to be no difference of opinion among those who are in touch with the live-stock situation as to the trend of values. Sellers and buyers at the markets are in accord. "It looks like higher beef and pork and mutton," they all say in effect. This is music to the grower's ears—to his soul, for he has had his days of concern. Grade ranch cows that were rated at \$50 a head a few weeks ago are now receiving bids of around \$70. The whole situation harmonizes with these comparative values in cows. With the approach of spring comes also the assurance of better days near at hand for the stockman.

Another condition is more favorable also. It is the easing-up of the money situation, and correspondingly lower interest rates. It appears that there is money available now. It also appears that it will be seeking investment. Many a dollar borrowed during the next few months for investment in good cattle will earn for the borrower large dividends and put him in the way of sure prosperity.

FEDERAL AID TO AGRICULTURE

THE FOLLOWING AMOUNTS had been advanced by the War Finance Corporation up to February 4, 1922, according to a tabular statement appearing in the *Congressional Record* of February 15:

Live stock	\$ 49,641,606.95
Cotton	23,404,200.52
Grain	21,290,189.31
Sugar beets	9,796,000.00
Rice	2,500,000.00
Canned fruits	300,000.00
Dried fruits	1,250,000.00
Peanuts	1,097,700.00
General agricultural purposes.....	93,546,169.50

Total\$202,825,866.28

From the same statement it appears that during the year 1921 and the month of January, 1922, loans to an amount of \$109,222,076 had been closed by federal land banks.

WHAT THE GOVERNMENT IS DOING

WASHINGTON LETTER

BY W. A. ANDERSON

WASHINGTON, D. C., February 22, 1922.

THE PASSAGE of the co-operative marketing bill, which sanctions and encourages the organization of agricultural and live-stock producers, was perhaps the most important legislative accomplishment of the present month, from the viewpoint of the representatives of these industries. Incidentally the roll-call on the bill indicates in a striking way the political ascendancy of the farmer. Sponsored in the Senate by the "agricultural bloc," which supplied the driving force which brought it to a vote, the measure on roll-call found fifty senators, representing every section of the country and every shade of political thought, aligned for it, and one lone "nay" recorded against it.

With the Senate Finance Committee in executive session on the tariff bill, little can be said authoritatively concerning the status of this measure. It has been predicted for some time that the committee would report the bill not later than March 1; but, with that date only six days away, it is now announced that no agreement has been reached on the valuation principle. In order to have that troublesome question solved as far as possible in advance of the action of the Senate, the majority members of the Senate Finance Committee and the Ways and Means Committee of the House have been in session for the past two days. The meeting was requested by the Senate committee majority, following the declaration that, if the Senate sent a bill back to the House carrying a foreign-valuation basis, the Ways and Means Committee would rewrite the measure on the basis of American valuation, and back it would come to the Senate. With the election only a few months away, and the members anxious to get home to look after their political fences, the prospect of Congress indulging in this sort of legislative football was not encouraging, to say the least. Accordingly it was agreed that there should be some "frank and friendly discussion," with a view of clearing the committees of the two houses. Until the valuation principle has been definitely decided, other features of the bill must necessarily remain undetermined, particularly the ad-valorem rates.

The announcement last week that President Harding expected to make a trip to Alaska in June is taken to mean that the chief executive expects Congress to get through with its work by that time. It is predicted, however, that the Senate is not likely to be rushed on the tariff, and it is believed that the debate may be prolonged for three months at least before the bill is passed, when it would still have to run the gauntlet of the conference. Some members of Congress and legislative observers of a pessimistic cast of mind predict that the session may drag on through the summer.

Just how much the debate on the treaties which are now before the Senate will extend the session cannot be predicted, as both advocates and opponents of the pacts are maneuvering

for position, so that it is impossible to gauge with any degree of certainty the extent to which divergent views will crystallize.

Aside from the conclusion of the Arms Conference, the most important developments in the nation's foreign relations were the enactment of the foreign debt refunding act and the appointment of the commission to carry out its provisions. The members of this commission are Secretaries Mellon, Hughes, and Hoover, Senator Smoot, and Representative Burton. Of these, Secretary Mellon is member by law, and the other four members are nominated by the President. Messrs. Hughes and Hoover have been confirmed by the Senate, while the nomination of Messrs. Smoot and Burton has been held up by the Judiciary Committee pending decision as to whether members of Congress can constitutionally serve. It is expected that notice will be served on the debtor nations forthwith that the United States is ready to proceed with negotiations for the funding of the allied debt, which in round numbers approximates ten billion dollars, to which is to be added about one billion dollars in accumulated interest. It is likely that negotiations will begin with Great Britain, looking to the funding of the five-billion-dollar debt owed by that country. Negotiations will follow with the other nations in the order of the size of their debts.

The adjusted-compensation bill is again receiving the active consideration of Congress and the administration leaders. President Harding has indicated a disapproval of the bill without some form of financial plan for its payment accompanying it. The advocates of a sales tax are again active, but there is determined opposition against the adoption of such a tax to discharge the financial provisions of a bonus bill. It is not unlikely that there will develop an effort of considerable magnitude to restore the excess-profits tax. Members of the minority party are asking, with a touch of irony, why the bonus should not be paid with savings effected by the administration; and this suggestion has had serious response from a certain group on the other side, who are anxious to get from under, and are therefore willing to pass the bill, hoping that its financial commitments can be met from a charge on the general funds of the treasury.

The question of the completion of Muscle Shoals, originally begun as a war-time project for the manufacture of nitrates from the air, has again become a live subject through the submission of the Ford plan to Congress by Secretary Weeks, after it had been pigeonholed in the War Department for seven months. Hearings on the plan are being held by the House Committee on Military Affairs and the Senate Committee on Agriculture and Forestry. The completion of the project would render navigable the upper Tennessee River, generate 600,000 horse-power of electrical power, and complete two nitrate plants. The project to date has cost the government more than \$100,000,000. Briefly, Ford proposes that the government give him a lease on the dams for a period of one

hundred years, during which he would pay the government \$215,540,000. He proposes to purchase outright two nitrate plants, which cost the government \$85,423,078, for \$5,000,000. The acceptance of the Ford plan without delay would save the government a cash outlay of three quarters of a million dollars annually expended in the maintenance of the property.

Since submitting the Ford plan to Congress, Secretary Weeks has also laid before it a plan offered by the Alabama Power Company as "worthy of consideration." This company proposes to take out a license under the Federal Water-Power Act, under which it would complete the construction of the dam locks and power-house at the Wilson dam at its own expense, with an initial installation of approximately 240,000 horse-power, subsequent installation to be made as the market requires. It would furnish free to the government from its hydro-power plant 100,000 horse-power, as required, for the production of fertilizers and munitions at the nitrate plants, which it proposes that the government shall retain. This offer provides for the return of the property to the government at the end of fifty years. The general interest being taken in Muscle Shoals by members of Congress is indicated by the fact that more than one hundred of them were present at a recent showing of moving pictures arranged under the direction of the House Committee on Military Affairs.

The Senate has begun the consideration of a bill introduced by Senator Cummins, of Iowa, to amend the Interstate Commerce Act to change the method of valuation of lands belonging to railroads. The bill would eliminate the provision of the law which requires the commission to ascertain the "original and present cost of condemnation," and would place upon it only the duty of ascertaining "the original cost of all lands, rights-of-way at the time of dedication to public use, and the present value of the same." In a speech supporting the amendment, Senator Cummins declared that, pursuing the course made necessary by the law as it now stands, the Interstate Commerce Commission would "add more than \$2,000,000,000 to the value of railway lands of the United States" and place on the American people an additional charge in freight rates of \$120,000,000.

The Senate committee has concluded its hearings on Resolution 23, introduced by Senator Cummins last April, for the investigation of revenues and expenses of railroads. The House committee is conducting hearings on the Sweet bill, providing for the repeal of Section 15-a of the Interstate Commerce Act and restoration of the powers of state utilities commissions. The general inquiry of the Interstate Commerce Commission, begun in December, continues daily.

S. H. Cowan, attorney for the American National Live Stock Association, appeared before the Interstate Commerce Commission on February 21, requesting that the record in the Western Live Stock Shippers' Case be incorporated in the record of the general inquiry. In support of this request, Judge Cowan argued that the record in that case was pertinent, for the reason that there had been no material change in conditions in the live-stock industry during the past year. The representative of the railroads concurred, and, accordingly, the record was admitted.

The establishment of emergency rates to facilitate the annual movement of stock cattle to the ranges of the western states was urged by Judge Cowan, inasmuch as the commission had not taken action on the petition of the shippers, filed several months ago, to have the 20 per cent reduction granted on long-haul rates apply also to short-haul rates.

The Senate on February 22 passed a bill to advance \$5,000,000 to farmers of drought-stricken areas of the West, to be used in the purchase of seed grain and feed for live stock. Advances to individuals are to be limited to \$300.

UNLOADING CHARGES AT PRIVATE STOCK-YARDS

FOR MANY YEARS prior to 1917 it had been the general practice of carriers to assume and pay, out of their line-haul revenues, the charges for unloading and loading ordinary live stock at public stock-yards. In that year, however, the Union Stock Yard and Transit Company, at Chicago, increased its respective unloading and loading charges from 25 and 50 cents per car to 50 and 75 cents. The carriers refused to absorb the increase in their line earnings and imposed the additional amount on the shipper. Their action was upheld by the Interstate Commerce Commission, on the ground that it was the duty of the shipper, and not of the carrier, to load and unload carload traffic, including live stock. Thereupon, through the efforts of the American National Live Stock Association and other interested live-stock organizations, the following was embodied in the Transportation Act (of February 28, 1920) amending the Interstate Commerce Act—being paragraph 5, section 15:

"Transportation wholly by railroad of ordinary live stock in carload lots destined to or received at public stock-yards shall include all necessary service of unloading and reloading en route, delivery at public stock-yards of inbound shipments into suitable pens, and receipt and loading at such yards of outbound shipments, without extra charge therefor to the shipper, consignee, or owner, except in cases where the unloading or reloading en route is at the request of the shipper, consignee, or owner, or to try an intermediate market, or to comply with quarantine regulations. The commission may prescribe or approve just and reasonable rules governing each of such excepted services. Nothing in this paragraph shall be construed to affect the duties and liabilities of the carriers now existing by virtue of law respecting the transportation of other than ordinary live stock, or the duty of performing service as to shipments other than those to or from public stock-yards."

Under this statute the Interstate Commerce Commission reopened the case and reversed its prior findings. The carriers have since then been absorbing these unloading and loading charges at public stock-yards.

At various points throughout the country there are packing plants outside of the limits of the public stock-yards, and at points where no public stock-yards exist, which have stock-pens for unloading and loading adjacent to their plants. At these so-called "private yards" the carriers refused to unload interstate shipments of ordinary live stock, or to make any allowance to the packing plant owning, or adjacent to, private yards for such service. In some instances it was claimed that carriers imposed additional charges for the service of unloading and reloading en route interstate shipments of ordinary live stock destined to such plants with private yards, while no similar charge was made on shipments destined to public stock-yards. The Omaha Packing Company and several other packing plants similarly situated, with private yards, filed a complaint against the carriers before the Interstate Commerce Commission, alleging that the practice as above outlined, was unjust and unreasonable under Section 1, and unduly prejudicial under Section 3, of the Interstate Commerce Act.

On December 30, 1921, the commission rendered its decision, holding, in effect, that the carriers are not compelled to unload and load ordinary live stock at private yards without a charge in addition to the line-haul revenue; and on the second point of the complaint the commission held that carriers should perform the service of unloading and reloading ordinary live stock en route, destined to private yards, without any charge therefor—the same as was done on live stock destined to public yards.

SECRETARY WALLACE FILES COMPLAINT AGAINST COMMISSION FIRMS

A FORMAL COMPLAINT has been filed by the Secretary of Agriculture, acting under the powers conferred on him in the Packers and Stock-Yards Act, against every live-stock commission firm holding membership in the St. Louis Live Stock Exchange, as well as against the principal "order buyers," dealers, and traders at the St. Louis National Stock-Yards, charging them with maintaining a boycott against commission houses not members of the exchange. The complaint is the first to be filed under the act. The defendants, numbering about 110, have been cited to appear in the federal court at St. Louis on March 20.

The principal charge contained in the complaint is that the exchange members are restraining trade through operation of a boycott, in that "thirty-nine commission firms, constituting the entire membership of the exchange, refused to do business with other buyers or traders—except buyers for the very large packing concerns—who buy live stock from the four commission companies that are not members of the exchange." Two of the non-member concerns are said to be co-operative associations, which "sell live stock at rates 25 per cent lower than those of exchange members." One of the trading regulations of the exchange, the complaint charges, is that members must not trade with non-members.

According to Secretary Wallace, the boycott against the Farmers' Live Stock Commission Company, one of the non-member concerns, was started on November 16, 1921, at a meeting of members of the exchange, when those present "agreed upon and adopted a policy or common plan to hamper, obstruct, and prevent, by coercion or intimidation," order buyers and traders from making any purchases from the farmers' company.

WHAT MAY A TRADE ORGANIZATION LEGALLY DO?

WITH A VIEW to utilizing information collected by trade organizations in furthering the work of his department, Herbert Hoover, Secretary of Commerce, has addressed a number of inquiries to the Attorney-General of the United States relative to the boundaries within which such organizations may legitimately function. While few of these questions have a direct bearing on the activities of existing associations of live-stock producers, with future developments in mind, it may not be amiss briefly to restate them here. Mr. Hoover asks:

May a trade association—

1. Provide for its members a standard system of accounting?
2. Provide for uniformity in the use of trade phrases?
3. Provide for standardization of quality and grades of the product of its members, of forms of contract, and of processes of production?
4. Collect and furnish to members credit information as to the standing of those using the products of the industry?
5. Arrange for handling the insurance of its members?
6. Engage in co-operative advertising, and in *promotion through furnishing trade labels, designs, and trademarks for the use of its individual members?*
7. Engage in the promotion of welfare work in the plants of its members?
8. Handle legislative questions affecting the industry?
9. Promote closer relations between the industry and federal and state departments of government?
10. Collect statistics from members as to volume and capacity of production, wages paid, distribution and consumption of products, etc., compile such statistics, and file them

with the Secretary of Commerce for publication as he may see fit?

11. Collect statistics as to prices received from individual members, combine such reports to show average price, and submit such compilation to the Secretary of Commerce for distribution to the public?

To all these questions Attorney-General Daugherty returns an affirmative answer, with two qualifications:

1. "There is no apparent objection to a standard system of cost accounting, but associations should be warned to guard against uniform cost as to any item of expense."

6. "I have serious doubts about the advisability of the latter part of the sixth paragraph [printed in italics above]. I can see no objection to co-operative advertising designed to extend the markets of the particular article produced or handled by the members of an association, but when the several producers or dealers use uniform trade labels, designs, and trademarks, it seems to me the inevitable result would be a uniformity of price. . . . It seems to me, therefore, that it would be well to eliminate the latter clause in paragraph 6."

GOVERNMENT STILL IN NEED OF MARKET SUPERVISORS

UNTIL FURTHER NOTICE, applications will be received by the Civil Service Commission, Washington, D. C., for the positions of Live-Stock Market Supervisor (salary, \$2,400 to \$4,000 a year) and Live-Stock Market Assistant Supervisor (salary, \$1,800 to \$2,400), in connection with the administration of the Packers and Stock-Yards Act. Applicants must be between twenty-five and sixty years of age, must be citizens of the United States, and must possess at least a high-school education or its equivalent. They will not be required to report for examination at any place, but will be rated on education, practical experience, and fitness upon their own sworn statements and corroborative evidence, and on a paper of between 2,000 and 3,000 words on some phase of the marketing of live stock, to be submitted with their applications.

Persons wishing to compete should at once apply for Form 2118, to be had from the Civil Service Commission at Washington or the secretary of the local United States Civil Service Board.

CANADA'S LIVE-STOCK MARKET IN 1921

TOTAL NUMBERS of live stock marketed at Canadian stock-yards during 1921, as compared with 1920, were as below, according to official figures:

	1921	1920
Cattle	688,104	848,506
Calves	212,445	248,343
Hogs	681,427	672,153
Sheep	590,149	598,305

Average prices per hundredweight were as follows:

	1921	1920
Cattle	\$ 5.39	\$ 8.23
Calves	7.24	12.62
Hogs	11.55	18.49
Sheep	7.75	11.09

Canadian live stock exported to the United States for the two years reached these figures:

	1921	1920
Cattle	136,987	236,642
Calves	57,623	74,428
Sheep	97,413	182,140

In 1921 the United States imported \$80,279,943 worth of merchandise from Germany and exported \$372,325,232 worth to that country. In 1913 our imports from Germany were valued at \$184,211,352 and our exports at \$351,930,541.

THE MARKETS

CATTLE MARKET AT BEGINNING OF MARCH

BY JAMES E. POOLE

EARLY MARCH revealed a somewhat enigmatical cattle-trade situation. The stocker phase of the trade was buoyant, while the fat market was alternately strong and depressed. The better grades showed little, if any, improvement during February, while everything below \$8.50 looked 50 cents to \$1 per cwt. higher. This was due to country competition rather than to improvement in beef distribution, although beef trade showed signs of emerging from the rut in which it had been traveling all winter, in striking contrast to the booming pork, lamb, and mutton markets. Retailers were evidently seeing the light, as there was a marked disposition to reduce cost over the counter, and little doubt existed that, once consumers realized that they were not being gouged, they would resume beef-eating.

With respect to supply the cattle market was handicapped all through January and February, receipts being approximately the same as during the same period of 1921, while in the case of hogs and sheep a substantial reduction was registered. But, while numbers were maintained, beef tonnage has been materially reduced, the daily array of 1,300- to 1,700-pound bullocks that reported to the killer a year ago having been conspicuously absent. In fact, there has been a plethora of 900- to 1,100-pound stuff, in little better than feeder condition, that would have fared badly had feeders not entered the market in somewhat multitudinous fashion and laid claim to a large share of it. This competition was mainly responsible for the recent dollar advance in such cattle, feeders taking away from killers anything with quality at \$7 to \$7.50 per cwt., and in some instances paying up to \$7.85 for fleshy steers to take back to the country.

Every short run has found killers contending for \$8 to \$9 steers, although few have been good enough to pass \$8.75, and only a handful has been eligible to \$9 to \$9.50. While big cattle have taken possession of the premium, it has been evident that a few more of that kind would have put them in the same unenviable position as last year. As it was, plainness in a load of big steers has been overlooked, killers having a place to put all the thick beef available, enabling near-good bullocks to "get by."

In the cheaper grades good action has been possible, because feeders took a large bite out of the crop, and both killers and distributors have been making strenuous effort to get away from cost. Killers have had access to few steers under \$7, and have gone greedily to \$5 to \$6 cows, which advanced about \$1 per cwt. during February. The bull market is recovering from its winter lethargy, \$4 to \$5.50 buying the bulk of supply; and, with such stout support by the lamb market, veals have commanded anywhere from \$10 to \$12.50 per cwt.

Beef-distributors are on a hand-to-mouth basis, and will be, as it is improbable that an excessive supply of any kind of cattle will show up during the next ninety days, frozen stocks are at low ebb, and it is the stated policy of killers not to accumulate beef on the "hang-rail." At this time last year heavy steer carcasses were hanging in profusion in every main cooler and branch house in the country, accumulating a growth of what is known in trade parlance as "whiskers." Under

present conditions the stuff is cleared promptly, and buyers are admonished to let fresh cattle alone. It is obviously a favorable condition for the producer.

Early in March a spread of \$7.50 to \$8.35 bought the bulk of the corn-fed steers, and \$9.50 was the limit on anything available, although a load of prime cattle might have been eligible to more money—possibly \$9.75. At the corresponding time in 1921 the top was \$10.75, and a spread of \$8 to \$10.25 took the bulk. In March, 1920, prime cattle were worth \$15.60, the bulk selling at \$11.75 to \$14.25; and in 1919 \$20.10 was paid, the bulk of the steer crop going over the scales at \$14.50 to \$18.25. The early March top in 1918 was \$14.15, the bulk selling at \$11 to \$13.25.

That the winter cattle market has been a disappointment will not be disputed, as it has been out of line with hogs and sheep; but, when supply volume is considered, the trade does not need an apologist. As cattle were laid in cheaply last fall, practically the entire winter feeding has paid out; hence no red-eyed regret is in evidence. Feeders have been timid right along, crowding the market with merely warmed-up stuff to such an extent that they have damaged their own case. Had the January and February run been 10 per cent less, it is a reasonable assumption that prices would have ruled at least \$1 per cwt. higher, and the cattle that would have been held back would be a good asset at this juncture, as they cannot be replaced for what they realized. Corn was both plentiful and cheap. Consequently thousands of steers had access to the feed-box that otherwise would have been merely roughed through the winter. Hence, when it was possible to sell them at margins of \$1.50 to \$2 per cwt., they went to the butcher.

STOCKER MARKET STIFFENING

J. E. P.

AN INTERESTING STOCK-CATTLE SITUATION has been developing all winter. The fact is now evident that those who did not or could not take advantage of the bargain sale last fall let an opportunity slip. The country market displayed strength early in January, when, local supplies having been cleaned up, dealers hiked to the market to compete with killers on fleshy steers selling at \$6.50 to \$7 per cwt. Taking their purchases to interior Corn Belt points, they had no difficulty in getting prompt action, and were soon back in the market for more, creating a liberal winter stocker movement and gradually advancing prices of anything with decent quality, carrying a veneer of beef, until the feeder's margin had been wiped out. This was the situation early in March, when every commission house in the country was carrying a spindleful of orders and every mail brought anxious inquiry by the ream.

That such confidence is displayed in the future of a lagging fat-cattle market is surprising. Obviously fat cattle must advance as the season works along, or feeders will have difficulty in balancing their books on the right side; but purchasers appear to consider their investments on the current basis sound. The fact is that everybody having any connection with the cattle business realizes that shortage of young cattle is no longer a theory, but a condition. The chief problem now confronting feed-lot owners and graziers is replenishment. What will happen when grass rises must be left to conjecture, but it is a cinch that no surplus of desirable stock cattle will be visible to the naked eye. The whole country east of the Missouri River is on a bare-shelf basis, so far as stock cattle are concerned. Up to this time it has been possible to scrape a few natives together, but this supply source is about closed. E. P. Hall, of International show fame, drove several hundred

miles through southern Illinois and central Missouri in January on a purchasing expedition, but secured less than one hundred head. "The cattle are gone," he said; "at least such cattle as I want. As recently as ten years ago I could go down into southern Illinois and pick up a few hundred good cattle in a week, while Missouri afforded good picking. Under present conditions the few well-bred steers they have are either not for sale or are priced high enough to scare the prospective buyer away."

Already the Mineral Point (Wis.) bunch of pasturemen are in the saddle, paying anywhere from \$7 to \$7.75 for such qualified steers as they can use on their grass, and a broad demand is developing in territory east of Chicago. Thousands of Corn Belt feeders are anxious to reduce their much-advertised corn surplus by reinstating cattle warmed up earlier in the winter and already gone to the shambles. Kansas pastures must get a reasonable quota; and some cattle will go to the northwest, although it is improbable that the spring pilgrimage from the southern breeding-ground to Montana, the Dakotas, and Wyoming will be of considerable volume for several reasons—chiefly high stocker prices and difficulty in financing purchases. This disability no longer applies to the Corn Belt, which is actually in funds, an enormous amount of hog money having been banked during the past winter. The Corn Belt farmer has no money for tractors, phony stocks, or other luxuries, but he wants cattle to convert his corn into beef, and will buy them.

Despite dry weather, Texas is setting up no bargain sale. Recent trades in yearling steers in the Southwest have been around \$33 per head, asking prices ranging from \$27.50 to \$35.50, according to condition and quality. Four-year-old steers have sold at \$57.50 per head, \$60 being asked, and two-year-olds are held at \$37.50 to \$42.50. The available supply of aged steers in the Southwest is the smallest in many years, and there is a decided deficiency of two-year-olds—the age at which most steers go north. Evidently the breeder is in a good strategic position.

Demand for cows is a new phase of the trade. They are being placed all over the country, beef-bred females about to drop calves commanding a premium over killing stock. Thin 1,100-pound cows of this character have sold at anywhere from \$6 to \$6.50 per cwt. recently, and a buying furore is likely to develop at any moment.

THE BOOM IN HOGS

J. E. P.

NOTHING is held in more respect these days than the hog, especially in agrarian circles. Six months back a forecast of a healthy winter market was received with derision. In some quarters a repetition of the debacle of 1907 was feared; in fact, a "five-cent hog" scare went all over the country. Growers, in mingled disgust and resentment, jet-tisoned sows and neglected pigs; the result being that hundreds of thousands of porcine babies went into the trench. Neglect of immunization, from what appeared at the moment to be economic reasons, resulted in widespread cholera ravages, decimating some herds and setting the stage for what happened at the market recently. Now it develops that the winter hog crop is a million head short—probably more, as only the preliminary count is available.

There was some logic in the 5-cent hog prediction, but it was based solely on 25-cent corn; and, according to the pre-war calculation basis, on the 10 to 1 ratio packers were warranted at least in figuring droves at \$6.50 per cwt. But subsequent events have demonstrated that the price of corn is not the sole factor in determining hog values, that the size of the

hog crop has something to do with it, and that competition is a factor.

The whole hog-market situation has undergone a radical change since 1914. At that time the winter-buying policy of a coterie of big packers actually determined the value of the winter crop, as it was incumbent on them to take the bulk of it. In practice they filled their cellars at low prices during the winter, when they ran an unobstructed bear campaign; then, with countless tons of lard and cured meat on hand, they reversed their position for the purpose of pocketing inventory profits, running a bull campaign from July to September—a merchandising period when the year's excess production found its way into distributive channels. In this process packers frequently paid \$1 per cwt. more for hogs during the merchandising season than was necessary, for the obvious purpose of getting a price for their winter pack. This custom was diversified by provision-pit deals, more or less picturesque, in which hog-raisers took a hand—usually to their regret.

But the European war effected a radical change in hog-market procedure, by creating a swarm of small operators, whose activity during the winter packing season just closed was largely responsible for the phenomenal and wholly unexpected advance from a \$6.50 to a \$11 basis between the low spot last November and the crest of the rise late in February. During that period these small concerns absorbed anywhere from 25 to 50 per cent of Chicago receipts, and were active competitors at the other markets. Early in the season, when a \$6 market at Chicago appeared imminent, they took the trade away from the big packers, and thereafter rarely lost control. The big packers resisted by resorting to every possible expedient, going to the country to make purchases, and shipping from one market to another to relieve buying pressure, but only to find themselves going short of the hogs they actually needed, so that, when necessity forced them into the market at intervals, they merely set it ablaze.

For three years previously the big packers had been on the wrong side of the market—the long side. Had they stuck to it this season, they would have been money in pocket; but, making a switch, they have encountered more vicissitude. But they never faltered. When hog cost was around \$7 per cwt. they insisted that they were losing \$1 per head in the conversion process, adding that, if the appreciation continued, somebody would go broke, and that they proposed to keep in solvent condition. Their competitors apparently courted bankruptcy, as they followed the market as it jumped from \$7 to \$11 without hesitation, and were apparently able to masticate every bite they took.

"Wait until the February run shows up," said the big packers in chorus; but it failed to "show." Hogs which the country was credited with holding for the purpose of converting cheap corn into high-priced hogs existed only in Packing-town imagination. Consolation was derived by the bear party from the fact that the smaller packers were accumulating product which they would eventually be forced to unload; but, as they returned to the market day after day and week after week for more hogs, at still higher prices, this logic sounded fallacious, and it became evident that the big packers were "in bad." They insisted, however, that the thing was irrational and could not last, asserting that the logical sequence of the boom would be a reaction and a lower market the latter half of 1922.

Meanwhile the country, previously bearish, changed its attitude. Breeding stock, that was not considered worth the bristles on its back last summer and fall, suddenly acquired popularity. Pregnant sows, instead of being sent to the shambles, were placed in the parlor, and all over the country from the Atlantic to the Pacific interest in pork production reached the furore stage. Sows sold at \$35 to \$45 per head

in February, amidst a scramble to get possession. Registered herds were taken for commercial breeding purposes, and a piggy sow at the market was as much of a novelty as a flock of dodos on the horizon. "Feed hogs!" screamed the farmers' numerous advisory councils in chorus, the farm-paper editors chanting the refrain. The winter run was materially reduced by holding back gilts, and the possessor of a herd of breeding swine assumed much the same affluence as Mark Twain's Black Forest farmer with a substantial manure pile.

The position of the hog-grower was fortified in February by practical disappearance of the visible supply of cottonseed oil, the bulk of it going to Europe, revival of interest in provision speculation, and an enormous export trade in both lard and meats. The technical position of lard was materially improved, and prices advanced rapidly. When an \$11 basis for hogs was reached, sentiment was as bullish as it was bearish at the time packers were able to put up droves at \$6.50—the low point last November.

How long will it last? How old is Ann? Top hogs may go to \$12—probably will; but eventually a reaction will occur. Packers insist that prices will be lowest the latter half of the year, and they cannot be wrong perennially.* However, the facts cannot be ignored. Stocks are low, all kinds of hog product are in demand, and until the 1922 pig crop is ready to go to the shambles next winter the influence of shortage will be felt. Meanwhile the whole country is exerting its energy to increase production—and the fecundity of the porcine species is proverbial.

SMALL FORTUNES IN SHEEP

J. E. P.

THERE NEVER HAS BEEN such a live-mutton market since Father Abraham tended his flocks. There may never be another. Last fall, when trade was demoralized, choice lambs sold at \$8.75 per cwt. on the Chicago market. Late in February the same kind soared to \$16.25; and everything else—lambs, yearlings, wethers, and ewes—has profited in proportion. Feeders have made a veritable killing.

It happened this way: Smarting under last season's losses, feeders were afraid of the game; likewise bankers and commission houses. That the new scale of values established by the deflation process had created a safe basis impressed only a minority, which had the courage of its convictions and cash to assert them. It needed but slight curtailment of winter production to put the market on both feet. Many operators have recovered all the money they lost last season, and more. Lambs laid in last fall at \$6 to \$7 per cwt. have returned to market to earn anywhere from \$12 to \$16 per cwt., and it was a season of cheap gains. Even cull lambs have been selling at \$10 to \$11.50, wethers at \$9.50 to \$10.50, and handy-weight ewes at \$8 to \$9, some of the biggest winnings of the season having been made on ewes costing \$2 to \$3 per cwt. last fall, and even less.

What did it? Competition for one thing; restricted production for another. Early last fall eastern killers invaded the market, and during much of the intervening time they have insisted that the big packers take a rear seat in the daily bidding. Most of the time the big killers have not been able to get enough stuff to fill urgent orders, the position of their buyers having been far from enviable, as they were under instructions to accomplish the impossible: hold prices down, but secure their complement. As the lamb market passed the \$12, \$13, and \$14 posts in succession, the cry that it was top-heavy went up. Commission men hoisted a danger signal, urging their customers to cash while cashing was good; and, as many paid heed, a lot of western stuff went to the shambles

far short of a finish that could have been profitably put on. As feeders had margins of \$6 to \$10 per cwt., however, an era of good feeling was established.

Packers could have imported New Zealand frozen mutton at any time at a profit; but, after the previous winter's experience, they concluded that it was a boomerang. Rumor that a cargo was traversing the Panama Canal en route to New York was circulated, but the stuff failed to materialize. Doubtless the advance would have been nullified to a large extent, had the depressing influence of the huge package of New Zealand frozen stuff in storage at New York a year ago been available, instead of a mere handful.

By the middle of February markets east of Chicago, such as Buffalo and Jersey City, were bare of both sheep and lambs, forcing a swarm of killers down that way to enter the competition at western markets. The visible supply narrowed down to the contents of Colorado feed-lots and the stuff in the big feed-barns around Chicago. It was augmented by an unadvertised run of refugee stuff from the dry sections of Texas that filled up feed-barns around Chicago, creating apprehension of indigestion; but when this stuff had been finished, the market gulped it down, clamoring for more. Speculators scoured the Northwest for stuff to put on feed, their purchasing excursion taking in Alberta; but they found the lid clamped down tight. As the live market advanced, dressed prices were marked up, but without apparent restriction of consumptive demand. Usually when dressed lamb passes 30 cents per pound in the carcass the public substitutes something else in its dietary. On this occasion it merely clamored for more lamb.

How long will it last? Probably until new-crop lambs are ready. At the end of February the market was disposed to slip, but, although some people in the trade expected a break of \$1

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per cwt., they were confident that the market would come back. That the 1922 lamb crop will find a good market is, however, a foregone conclusion, as the native crop will be short, and the West must hold back live lambs to replenish overaged ewe bands. The industry is evidently well out of the woods and well along the path toward at least comparative prosperity.

THE DENVER MARKET

BY W. N. FULTON

FEBRUARY LIVE-STOCK TRADE brought real encouragement to the producer and finisher of cattle, hogs, sheep, and horses. Values made a substantial advance, and those who marketed stock during the month, or who have stock in their pastures or feed-lots yet to market, are feeling far more optimistic than they did a few months ago. The course of the market for the past several months lends color to the idea that the turning-point in the industry has been reached, and that a steady improvement may be expected in general conditions from this time on.

Approximately 33,000 head of cattle were marketed in Denver during February, as compared with less than 20,000 head for the same month in 1921. At the close of January good fat steers were selling at \$6.50 to \$7, and choice grades at \$7.25. At the close of February the same grades were bringing \$7.25 to \$7.85. Cows that sold early in the month of February at \$5.25 to \$5.75 are now bringing \$5.75 to \$6.25, and choice heifers are selling up to \$7.25. Choice feeding steers are finding outlet up to \$7 now, while the tops were selling around \$5.85 a month ago.

California buyers continue to be a very important factor in the market, and, with local packers buying liberally, competition for all classes of fat cattle was keen and the trade was brisk. Feeder and stock cattle also found ready outlet during the month, at very satisfactory prices.

Hog trade was higher from day to day, and at the close of the month values showed an advance of close to \$2 per cwt. as compared with the close of January. Choice porkers were bringing \$11 per cwt. at the close of the month, whereas the same grades a month previously sold for around \$9 to \$9.10. Receipts of hogs for February were 41,598, as compared with 39,250 for the same month one year ago.

Satisfactory prices for sheep and lambs brought a steady influx of stock to the Denver market during February. Receipts were 120,945 head, as compared with only 94,857 in February, 1921. The market advanced steadily during the first half of the month, until best lambs sold at \$15.25—the high point for the past year and a half. Since that time a slight reaction has occurred, and good lambs were selling at the close of February at around \$14.50. Ewes that sold at \$7 a month ago are now bringing \$7.75 to \$8. A large percentage of the fat lambs in feed-lots in Denver territory are finding their way to the Denver market, and are meeting with strong demand here and selling at very satisfactory prices. All pack-

ers have representatives on this market, and everything offered is moving to good advantage. Lamb-feeders are making several dollars per head on the stock now in their feed-lots, and those of last year's feeders who had the courage to face the game again this year are recouping their former losses in splendid shape.

WOOL SITUATION IS MIXED

J. E. P.

ASOMEWHAT UNIQUE WOOL SITUATION has developed. After a burst of speed, for which speculators were in large measure responsible, the market has quieted down; but its underlying strength is undoubted. The one element of uncertainty is the tariff. At present the emergency tariff acts as an embargo, and both manufacturers and dealers are anxious to take several tiers from the top of the stone wall which has practically excluded foreign wool from this market. That the grower is in a secure position need not be doubted, however. Having disposed of the 1921 clip, and in many instances realized on 1920 wool that overstayed the high market, growers are in a position to dispose of the new clip whenever they see fit, the proceeds materially relieving the financial strain which flockmasters have been under for more than a year past. Practically all the farm pools have cleaned up, clearing the decks for what promises to be an active season. Boston quotes fine wools at 48 to 50 cents; half-blood, at 39 to 42 cents; three-eighths, at 36 to 41 cents; and quarter-blood, at 35 to 39 cents. These prices are for standard grades of good staple, low quarter selling as low as 20 cents and braid down to 16 cents.

At the new scale of prices there is less reason for bullishness than when quotations were 25 to 50 per cent lower. The advance has been accomplished in the face of restricted mill operations and a popular demand for lower-priced clothing. Dealers have been liquidating stocks accumulated at higher prices a year, and in many cases two years, back, clearing their decks for restocking, but are purchasing sparingly, and probably will continue to do so. The January advance was responsible for a hue and cry that the wool market was getting in top-heavy condition, the fact being that during the depression prices worked unreasonably low. That dealers are confident of the security of their position is indicated by the manner in which they have been buying wool and holding it. During January and February coarse wools advanced 35 per cent, medium grades 20 per cent, and fine wools 10 to 20 per cent. Bullish factors have been disappearance of the huge government stock of a year ago, exclusion of foreign wools, a light clip, and domestic consumption exceeding 60,000,000 pounds monthly. All foreign markets are buoyant, fine wools being scarce.

Early settlement of the pending tariff uncertainty would be to the distinct advantage of the trade, as nothing is worse than uncertainty. At this writing good wools are firm, especially fine grades. Shearing is in progress in the Southwest, and will work northward as the season advances. As near as can be learned, about 25,000,000 pounds have already been contracted in the West, of an estimated clip of 240,000,000 pounds. There is a disposition to form pools everywhere, enabling growers to get the full strength of the market, so that dealers and speculators will be under the necessity of meeting growers' views as to values, if they actually want possession.

The American Wool Company bid 36½ cents late in February for the Jericho, Utah, pool; but the offer was rejected, 40 cents being asked. Reports of 40-cent bids for fine wools come from Montana; but bidders, as a rule, stop at 35 cents for fairly good staple. It may be added that there has recent-

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ly developed a marked disposition to hold this year's clip, on the theory that prices will be no lower, and may possibly be higher, at shearing time.

Germany has been a free buyer of coarse wools at Buenos Aires, and, despite the tariff, American operators have taken fine wools in foreign markets. At the inception of March the situation was decidedly mixed, and the prospect left room for conjecture.

Reviewing the situation in the wool trade, the National Wool Warehouse and Storage Company of Chicago quotes the monthly summary issued by the First National Bank of Boston, dated January 15, 1922. We reproduce a few excerpts:

"... Whereas a year ago supplies of wool seemed well-nigh inexhaustible, we now have reached the point of comparative scarcity on good wools of almost every grade, and in the case of fine wools it would seem as if we are approximating the point of exhaustion. . . . It seems almost incredible that supplies of wool in this country should have been reduced to so great an extent, but we have been laboring under an emergency tariff which virtually has been an embargo for clothing wools since the end of last May. Meanwhile consumption kept increasing up to October last, when 60,000,000 pounds of wool were used in our mills, as compared with 26,000,000 pounds in January. Assuming a consumption of 50,000,000 pounds only for December, the total wool consumption for the year was about 570,000,000 pounds, as compared with about 500,000,000 pounds in 1920. Outside of the stocks owned by the mills, probably there are little over 100,000,000 pounds of wool of all descriptions in the country today. . . . Altogether the huge surplus of wool which was in sight a year ago is melting away rapidly. . . ."

To this the company adds the following comments:

"One year ago much was heard about the 'enormous supplies of wool,' running up to the 1,000,000,000-pound mark. At that time we heard that world markets were heavily overstocked, having two seasons' clips on hand. A conservative estimate of the supplies on hand in this country on January 1, 1922, was 350,000,000 pounds. From present indications this would supply approximately one-half of the requirements of the American mills for the year 1922.

"In the meantime the production of wool in the United States is decreasing at an alarming rate, as is shown by the following figures: 1919, 314,000,000 pounds; 1920, 297,000,000 pounds; 1921, 265,000,000 pounds; which included pulled wool. What the production will be for 1922 cannot be ascertained at this time. It is admitted, however, that the sheep industry has been thoroughly liquidated, and it is therefore doubtful whether the production for 1922 will exceed 235,000,000 pounds. Some authorities, generally well informed, put it at 225,000,000 pounds. This condition is world-wide, although Australia is reported to have made some slight gains in 1921.

"Inasmuch as choice western lambs are now bringing in the Chicago market as high as \$15 per cwt., and the outlook for the industry as a whole is exceptionally good, an effort will no doubt be made in all sections of the country to increase the number of sheep run; but, since the lamb crop, with a few exceptions, has not been saved for two years, and many of the ewes on the western ranges are admittedly old, the process of restoration must be slow. A member of the delegation which recently visited Chicago in the interest of the Scottish tweed-manufacturing industry made the statement that a world shortage of wool would develop within three years. . . .

"An item of interest to the wool-growers is presented in the figures showing the wool imported into this country before and after the emergency tariff became effective. During the five months immediately preceding its passage we imported 242,093,399 pounds. This compares with 54,893,528 pounds for the five months following its passage, a large proportion of which was made up of low grades of wool which could be imported free of duty under the emergency tariff. It will be seen, therefore, that we are in no danger of again being flooded with foreign wools, even if their existence made this possible. . . ."

World production of commercial cotton for 1921-22 is estimated at 15,593,000 bales of 500 pounds, gross weight. This is the smallest crop since 1900, and compares with 20,650,000 bales in 1920. In the United States 8,340 bales of cotton were produced in 1921, as against 13,440 in 1920.

LIVE-STOCK MARKET QUOTATIONS

Friday, March 3, 1922

[Bureau of Markets and Crop Estimates]

HOGS

	CHICAGO	KANSAS CITY	OMAHA
Top	\$11.40	\$11.20	\$10.90
Bulk of Sales.....	11.00-11.25	10.75-11.15	10.60-10.80
Heavy Wt., Med. to Choice.....	10.95-11.20	10.40-11.00	10.60-10.80
Medium Wt., Med. to Choice.....	11.10-11.30	10.90-11.15	10.65-10.90
Light Wt., Com. to Choice.....	11.20-11.40	10.75-11.20	10.75-10.90
Light Lights, Com. to Choice.....	10.25-11.35	10.60-11.15	10.50-10.75
Packing Sows, Smooth.....	9.90-10.50	9.00-9.85	9.50-10.00
Packing Sows, Rough.....	9.75-10.00	8.75-9.00	9.00-9.50
Killing Pigs, Med. to Choice.....	9.25-10.50		
Stocker Pigs, Com. to Choice.....		10.00-10.75	10.25-10.75

CATTLE

BEEF STEERS:

Medium and Heavy Wt. (1,100 lbs. up)—			
Choice	\$ 9.15-9.75	\$ 8.35-9.25	\$ 8.25-9.00
Good	8.50-9.15	7.65-8.35	7.65-8.25
Medium	7.60-8.50	7.10-7.65	7.25-7.65
Common	6.75-7.60	6.35-7.10	6.50-7.25
Light Weight (1,100 lbs. down)—			
Choice and Prime.....	9.00-9.65	8.15-9.00	8.25-9.00
Good	8.35-9.00	7.40-8.15	7.50-8.25
Medium	7.40-8.35	7.00-7.40	7.00-7.50
Common	6.50-7.40	6.00-7.00	6.50-7.00

BUTCHER CATTLE:

Heifers, Com. to Choice.....	4.75-8.15	4.60-7.25	4.75-7.50
Cows, Com. to Choice.....	4.15-6.75	4.25-6.00	4.25-6.50
Bulls, Bologna and Beef.....	4.00-6.50	3.25-5.15	3.75-5.50

CANNERS AND CUTTERS:

Cows and Heifers.....	2.75-4.15	2.75-4.25	3.00-4.25
Canner Steers	3.75-5.00	3.25-4.00	3.25-4.00

VEAL CALVES:

Lt. & Med. Wt., Med. to Choice....	7.25-10.50	7.75-10.50	8.00-11.00
Heavy Wt., Com. to Choice.....	4.00-7.25	4.75-8.50	5.25-8.25

FEEDER STEERS:

750-1,000 lbs., Com. to Choice.....	5.50-7.50	5.85-7.75	5.50-7.50
1,000 lbs. up, Com. to Choice.....	5.65-7.50	5.90-7.85	5.75-7.75

STOCKER STEERS:

Common to Choice.....	5.10-7.25	5.00-7.65	5.00-7.75
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STOCKER COWS AND HEIFERS:

Common to Choice.....	4.00-5.75	3.75-6.25	4.00-6.00
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SHEEP

LAMBS:

84 lbs. down—			
Medium to Prime.....	\$13.00-15.75	\$13.00-15.00	\$13.00-14.90
Culls and Common.....	10.00-12.75	9.00-12.75	9.50-12.75

YEARLING WETHERS:

Medium to Prime.....	10.25-14.25	9.75-13.25	9.75-12.75
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WETHERS:

Medium to Prime.....	7.00-10.75	6.50-9.50	7.25-9.50
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EWES:

Medium to Choice.....	5.50-9.00	5.50-8.40	5.75-8.60
Culls and Common.....	3.00-5.75	2.75-5.25	3.00-5.50

FEEDING LAMBS:

Medium to Choice.....	11.50-13.50	11.25-13.50	11.50-13.50
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STORAGE HOLDINGS OF FROZEN AND CURED MEATS

BELOW IS A SUMMARY of storage holdings of frozen and cured meats on February 1, 1922, compared with January 1, 1922, and February 1, 1921, as announced by the Bureau of Markets and Crop Estimates:

	Feb. 1, 1922	Jan. 1, 1922	Feb. 1, 1921
Frozen beef	61,501,000	68,495,000	119,965,000
*Cured beef	16,613,000	16,312,000	22,926,000
Lamb and mutton	3,930,000	6,444,000	78,082,000
Frozen pork	71,711,000	51,203,000	150,594,000
*Dry salt pork....	128,067,000	111,071,000	202,909,000
*Pickled pork	282,271,000	252,822,000	316,328,000
Lard	60,555,000	47,541,000	83,549,000
Miscellaneous	56,862,000	60,255,000	85,254,000

*Cured or in process of cure.

Public Offering of Interests in Stock-Yard Companies

Under the plan for the disposition of stock-yards interests, filed with and approved by the Supreme Court of the District of Columbia, the shares of stock owned by the Armour and Swift groups in Public Stock-Yards Market Companies are offered for sale, subject to such terms and conditions as may be agreed upon between the owners and the purchasers; and subject to the approval of the Supreme Court of the District of Columbia.

The stock is offered subject to prior sale and to the right of the owners to reject in whole or in part any or all bids.

Bids will be received up to April 1, 1922, by the Illinois Trust and Savings Bank, of Chicago, for such shares of stock as are owned by these groups in Public Stock-Yards Market Companies.

The stock ownership of such groups in Public Stock-Yards Market Companies includes also the stock ownership in Stock-Yard Terminal Railways serving the respective stock-yards.

Illinois Trust and Savings Bank
Chicago

FEEDSTUFFS

COTTONSEED CAKE AND MEAL, 43 per cent protein content, Texas common points, have advanced from \$38 to \$40 per ton last month to \$42 to \$44 per ton on March 6.

A slight advance is also noted in the hay market over quotations of a month ago. At Kansas City, March 4, the following prices prevailed: prairie No. 1, \$11 to \$12.50; No. 2, \$8.50 to \$10.50; packing, \$4.50 to \$5.50; alfalfa, selected, dairy, \$24 to \$27; choice, \$22 to \$23.50; No. 1, \$19.50 to \$21.50; standard, \$16 to \$19; No. 2, \$12.50 to \$15.50; No. 3, \$10 to \$12; timothy, No. 1, \$13.50 to \$14.50; standard, \$12 to \$13; No. 2, \$10 to \$11.50; No. 3, \$7 to \$9.50; clover, mixed, light, \$13 to \$14; No. 1, \$10.50 to \$12.50; No. 2, \$7 to \$10.

HIDE MARKET QUIET

J. E. P.

AFTER THE RECENT SPURT, hide trade has assumed a lethargic attitude. Packers are using practically their entire take-off in their own tanneries, and the smaller killers are filling contracts made earlier in the season. Current expression does not indicate expectancy of higher prices, but the 1922 take-off will not be excessive, and when the present stock of leather has been whittled down hides will be in demand. March 1 prices for packer hides at Chicago follow:

	Cents per Pound
Spread native steers	18 -18½
Heavy native cows	14¼-14½
Light native cows	12¾-13
Extreme light steers	13½-14
Native bulls	10 -10½
Heavy Texas steers	14½-16½
Extreme light Texas steers.....	12½-13½
Butt branded steers	16 -16½
Heavy native steers	16½-17
Light Texas steers	14½-15
Light native steers	15½-16
Colorado steers	15 -16
Branded cows	12½-13
Branded bulls	8 -8½
Calfskins	17½-18

Leather trade is undeniably dull. Tanners are still keep-

ing production down, and will continue to do so until the leather market improves. What demand exists for leather centers on cheaper grades, as the public has quit buying high-priced shoes. When an order for leather is booked, however, it is invariably with an immediate-delivery stipulation; which cannot be construed otherwise than encouraging, as it means that manufacturers are running on light stocks.

REVIEW OF EASTERN MEAT-TRADE CONDITIONS

For Week Ending Friday, March 3, 1922

[Bureau of Markets and Crop Estimates]

GENERAL MARKET CONDITIONS

The beginning of the Lenten season had little apparent effect on the fresh-meat market, demand being fully equal to that of the previous week, and showing some slight improvement at times. Beef and mutton ruled firm to higher, veal steady, lambs weak to lower, and pork unsettled, with prices uneven.

BEEF

The demand for beef showed some improvement over the previous week's business, and prices were on a slightly higher level. Receipts of steers were about the same as the previous week, with some increase in the supply of cows. Steer hind-quarters were in better demand than fores, with prices on sides ranging from 50 cents to \$1 higher than at the previous week's close. There was a fair demand for cows, although steers had a slight preference. Compared with the previous week, Boston was 50 cents higher on cows; Philadelphia, 50 cents higher on both steers and cows. Receipts of bulls were light, and met with sufficient demand to hold prices about steady for the week. Kosher-beef trade was slow, prices ruling generally steady at Boston and Philadelphia, with a weak undertone toward the close at New York.

VEAL

There was a sufficient demand for the moderate receipts of veal to hold prices on a steady basis. Quality was only fair, with comparatively few of choice grade included. Compared with the previous week, Boston and New York were unchanged, with Philadelphia steady to \$1 higher.

LAMB

While receipts of lamb were only moderate, buyers purchased sparingly, and prices weakened after Wednesday, due to some accumulation in supplies. Compared with the previous Friday, Boston was around \$1 lower, with some sales off more; New York, \$1 to \$2 lower; and Philadelphia, barely steady.

MUTTON

With a light supply and tendency to use mutton as a substitute for lamb, prices for the week were generally steady to strong, light- and handy-weight mutton being preferred to heavy weights. Handy-weight wethers at Philadelphia were sold readily, some sales showing an advance of \$2 per cwt. over the previous Friday, although the supply of these was limited. Compared with the previous week, all markets were generally steady.

PORK

The pork market was unsettled, with a narrow price range between the various averages of loins and uneven prices on each average. Medium-weight loins were in better demand than lighter weights, the supply of the latter accumulating at times. Prices were mostly steady to higher than the previous week, due largely to the strength of the live-hog market, as trading was of a limited volume. Compared with the previous Friday, Boston and Philadelphia were steady to \$1 higher on loins, with New York \$1 lower on light loins and steady on others. Other cuts ruled generally 50 cents to \$1 higher.

MARKET CLOSING

Boston closed barely steady on beef, weak to lower on lambs, and steady on veal, mutton, and pork; some lamb and pork were carried over. New York closed generally steady on beef, veal, and mutton, with lambs and pork weak; there was a light carry-over of pork. Philadelphia closed generally steady on all classes.

CLOSING WHOLESALE PRICES ON WESTERN DRESSED FRESH MEATS

For Week Ending Friday, March 3, 1922

[Bureau of Markets and Crop Estimates]

BOSTON

BEEF		LAMB AND MUTTON	
STEERS:		LAMBS:	
Good	\$13.50-14.00	Choice	\$26.00-27.00
Medium	13.00-13.50	Good	25.00-26.00
Common	12.00-12.50	Medium	24.00-25.00
COWS:		Common	
Good	10.50-11.00	MUTTON:	
Medium	10.00-10.50	Good	14.00-15.00
Common	9.50-10.00	Medium	13.00-14.00
BULLS:		Common	
Good	8.50		
Medium	7.50-8.00		
Common	7.00-7.50		

NEW YORK

STEERS:		LAMBS:	
Good	\$13.50-14.00	Choice	\$27.00-28.00
Medium	12.00-13.00	Good	25.00-27.00
Common	11.00-12.00	Medium	24.00-25.00
COWS:		Common	
Good	10.50-11.50	MUTTON:	
Medium	9.50-10.00	Good	17.00-18.00
BULLS:		Medium	15.00-16.00
Medium	8.00-9.50	Common	14.00-15.00
Common	8.00-8.50		

LIVE STOCK AT STOCK-YARDS

APPENDED ARE TABLES showing receipts, shipments, and slaughter of live stock at sixty-eight markets for the month of January, 1922, compared with January, 1921, and the January averages for the five years 1917-1921:

RECEIPTS

	Jan., 1922	Jan., 1921	Average 1917-21
Cattle.....	1,628,186	1,644,040	1,813,504
Hogs.....	4,277,870	4,700,096	5,068,806
Sheep.....	1,834,696	1,791,548	1,586,157

TOTAL SHIPMENTS*

	Jan., 1922	Jan., 1921	Average 1917-21
Cattle.....	672,361	608,707	662,158
Hogs.....	1,786,641	1,666,037	1,629,902
Sheep.....	887,633	687,344	649,102

*Includes stockers and feeders.

STOCKER AND FEEDER SHIPMENTS

	Jan., 1922	Jan., 1921	Average 1917-21
Cattle.....	232,832	204,654	279,834
Hogs.....	27,032	43,296	52,336
Sheep.....	182,961	88,151	176,361

LOCAL SLAUGHTER

	Jan., 1922	Jan., 1921	Average 1917-21
Cattle.....	927,202	995,800	1,114,737
Hogs.....	2,483,507	3,032,233	3,425,659
Sheep.....	925,436	1,100,784	935,085

Germany Increases Duties

German import duties were increased 500 per cent on March 1. The increase affects all classes of merchandise.

TRADE REVIEW

EMERGING FROM THE VALLEY OF DEPRESSION

BY JAMES E. POOLE

NONE OF THE PACKINGTOWN PROPHETS are wearing garments suggestive of the style, color, or fit of Elijah's mantle. Their "dope" has been bad all through the winter season, especially where hogs, sheep, and lambs were concerned. Packingtown talent has been in a condition akin to demoralization. If the producer was rattled over his losses, Packingtown has been "bugs," to use vernacular. Its attitude was unfortunate, as producers needed encouragement and the moment was opportune for at least a moderate tonic dose. Had Packingtown emanation been more encouraging last fall, fewer hogs would have succumbed to disease, as growers would have given them more care; more cattle would have gone on feed, and farmers in the Corn Belt would not have been afraid to lay in western lambs at \$6 to \$7 per cwt. Far be it from me even to intimate that the opinion of the packers was not candid; it was evidently a psychological condition, revealed by their annual statements showing losses on 1921 operations ranging from \$7,000,000 to \$31,000,000. Perhaps, if the rest of us had been scorched to the same extent, measured by our resources, we also should have nursed gloom of the opaque variety. Be that as it may, Packingtown "dope" as to prospective market events is seriously discredited. The country is indulging in hilarity over a situation that is obviously adverse to the packer.

Incidentally the atmosphere of the producers' camp is decidedly more agreeable. The industry has emerged from the Grand Canyon of Depression, is passing through the Valley of Hope, and will soon be in full view of the Plains of Confidence. The public has not eliminated beef, pork, lamb, and mutton from its dietary, but is still on a meat ration, restricted only by its purchasing capacity. Beef is a laggard, but the market is absorbing enormous quantities of pork and lamb. Eventually beef will come into its own, especially if the industrial situation continues to improve. If the threatened mine strike does not materialize on April 1, this assumption is logical, as labor shows signs of contrition, some of its leaders at least realizing the necessity for deflation, as the obvious alternative is unemployment.

Money is easier in the Corn Belt. Not that rates are perceptibly lower, but where the prospective borrower is a good moral risk he gets a respectful hearing, and usually an opportunity to sign a note. The case of the "lame duck" is, of course, hopeless; and, unfortunately, he is numerous. So far as the Corn Belt is concerned, the agrarian situation has been materially alleviated by distribution of a vast sum in hog money, which has been flowing into country banks for three months past from the primary markets to a far greater sum in the aggregate than even the most rampant optimists dreamed of. Hogs have been netting from \$1,800 to \$2,000 per car, and, unlike cattle, which are followed by a stocker bill, it is all net return, the proceeds representing wealth extracted from the soil in a single season. Cattle have paid well for their board, and the few who laid in western sheep and lambs last fall have, in many instances, recovered all last season's losses. An advance of about 20 cents per bushel on corn since the low spot was uncovered has effectively silenced the

corn-burning advocates, and even those who advocated acreage restriction this season as a means of reducing the much-advertised surplus are no longer singing that siren song so lustily, the country realizing that a crib full of corn is an asset rather than a liability, and that a single unfavorable season would convert an apparent surplus into an actual deficiency.

In the cities the situation is less satisfactory. Failure of a score or more of brokerage concerns has created an impression that a Senegambian is lurking in the wood-pile. A prospect of necessity for financing a soldiers' bonus is disturbing, and a large percentage of the retail merchant element does not know whether it is afoot or on horseback, in a financial sense. "Lame duck" banks are dropping out of the procession by the score, unannounced except locally, as newspapers do not give these incidents publicity, and a nest of "Ponzis" is being raked in here and there—not, unfortunately, until they have gathered the last possible sucker's dollar.

But neither the situation nor the prospect is discouraging. With declining interest rates, a gigantic building campaign ever increasing in volume, railroads spending money more freely, and the ultimate consumer more disposed to go shopping than for many months past, the turn of the road may be said to have been passed. Recent bond issues have been readily absorbed; fewer foreign loans are being floated, and there has been a gradual enhancement in values of seasonal securities, which tells its own story. Even more encouraging is the improvement in commodity values, such as hides and wool, indicating that during the depression they went far below a normal basis.

One burden has been removed by the growing popularity of Liberty bonds with investors, relieving banks of a load. This class of securities is being gradually absorbed by permanent investors, going into safety-deposit vaults to be an incentive for thrift and an assurance of patriotism; for the holder of government securities is invariably a good citizen.

Whatever financial, industrial, or other variety of trouble the country faces will emanate from the centers of population. The country is definitely out of the tall timber.

CATTLE-TRADE PROSPECTS

J. E. P.

WHAT WILL the summer cattle-market performance be? Trade sentiment is unqualifiedly bullish. Visible supply conditions are exactly the reverse of a year ago, when the Corn Belt was full of fat steers acquired on the high 1920 market, on which heavy loss was certain, although that fact had not then been realized; whereas now the average drove of bullocks is hustled to market before it has become accustomed to a full grain ration. A year ago the entire trans-Missouri region was waiting impatiently for the beef round-up to resume liquidation; now liquidation is over.

Should the beef market pick up—which is by no means improbable—an advance of \$2 per cwt. in fat cattle would be logical. Every scrap of trade opinion is bullish. Before many weeks have elapsed most of the cheap cattle laid in last fall will have been converted into beef. The usual April run of Texas grassers from the coast country cannot materialize, as dry weather down that way has made it impossible. Beef stocks are low, and eastern winter-fed cattle are due to disappear early. Texas coast grassers have an unenviable reputation as price-breakers, their beef in the cooler at Fort Worth being only a few hours farther away from New York than if it were hanging in Chicago or Omaha; so that, with this club removed, cheaper grades of northern cattle will get unusual action. With feeders competing on every bunch of

qualified steers fit for a further corn-crib cross, packers will have hard picking, forcing them into the better grades of bullocks now selling at \$8 to \$9. Fleshy steers laid in lately at anywhere from \$6.75 to \$7.50 per cwt. could be profitably moved on a margin of \$1.50 per cwt.; consequently they will be in the visible beef supply after corned sixty to ninety days. After this stuff has been run, the market is likely to advance.

Of big cattle there will be a paucity, as few have gone on feed, and there is no disposition to hold them a moment longer than they can be advantageously cashed. Last year distillery cattle were not missed, as Corn Belt feed-lots were full of overweight steers. This year that crop of beef will be missing; consequently early-maturity range cattle will get a warm reception. As the market never repeats its last-year performance, weight will be in request. Yearlings, on the other hand, will invite a penalty—especially the warmed-up variety. Last fall the Corn Belt enthused over early maturity, laying in calves by the thousand. Many of these calves lacked the quality essential to developing a good yearling, and in many instances those acquiring them had no experience in the sphere of early-maturity beef-making, so that it is reasonable to expect a surfeit of half-baked yearlings along in June and July, when a more or less demoralized market for that kind of cattle is a practical certainty. This means a wide spread between finished steers with decent weight; also good yearlings and 800- to 900-pound stuff in stocker condition.

Much of the beef crop made this season in Texas, Kansas, and Nebraska has found or will find a western outlet. Pacific-coast buyers have been busy at the feed-lot all winter, relieving Missouri River markets of a considerable jag which they would otherwise have been required to digest.

Speculation as to the course of the cattle market must be based on beef consumption. This has been at low ebb, but will be increased as industrial activity revives. Pork is no longer cheap; lamb and mutton are in the category of luxuries, and beef must come into its own.

OUR FOREIGN COMMERCE IN JANUARY

JANUARY'S EXPORTS from the United States showed the lowest value of those of any month since August, 1915, and excess of exports over imports was the smallest since October, 1914. Preliminary figures for the month's totals, with comparisons, follow:

	Jan., 1922	Jan., 1921
Exports	\$279,000,000	\$654,271,423
Imports	216,000,000	208,796,989
Excess of exports..	\$ 63,000,000	\$445,474,434

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FOREIGN

LIVE-STOCK INTERESTS IN AUSTRALASIA

BY A. C. MILLS

[Special Correspondence to The Producer]

MELBOURNE, VICTORIA, January 10, 1922.

THE YEAR 1921 is being relegated into the limbo of the past without regret by primary producers on this side. It has witnessed a fall in values for all classes of produce that certainly has not been equaled in recent times, if ever before. The drop has been accompanied by serious financial stringency and a drastic curtailment of credit. The only wonder is that so few failures have occurred among stockmen and farmers. Nature alone has been generous, and it is to the prolific season experienced over Australia and New Zealand that many who make their living off the land owe their present solvency.

The following comparison of prices ruling at the beginning and end of the year will serve to show the extent to which values have receded: Average-quality fat bullocks, that in January were selling in the southern markets at \$110 to \$125 per head, by the end of December were worth \$45 to \$52.50; during the same period ordinary trade wethers slumped from \$8.40 to \$3.80; butchers' hides, from about 30 cents to 14 cents per pound; and wheat, from \$1.80 to \$1 a bushel. The worst feature as regards stock, and particularly cattle, has been the absence of a reasonable demand the last six months. It is a matter often referred to in previous letters; so I will not trouble to go over the ground again. Sufficient to say that, apart from the necessarily restricted demand for local consumption, there has been no real outlet for the surplus fat stock for months, owing to the slump in the frozen-meat markets oversea.

Despite a justifiable tendency to grouse at the weather, government, railroad officials, or the middleman, the generality of producers are chronic optimists, and therefore able to look forward to 1922 with a measure of hope. Time alone can show whether that hope will be realized. The year has not advanced far on its way, but there is certainly a firmer tone noticeable in the sheep and wool markets, also in the value of frozen mutton and lamb oversea. This latter will help sheep farmers in New Zealand, where the export season is just starting. There is not likely to be much export of mutton from Australia until May or June, if then.

The cattle-raising industry is unfortunately still very much under the weather. Neither values on the hoof nor frozen-beef values show any permanent signs of improving. Under normal conditions the packing-houses in the north of Australia should start killing for export next month or in March. One or two are talking of opening, but there is nothing definite at present. On current values for frozen beef in Great Britain, and existing working costs and freight, the utmost packers can offer growers is \$4.20 per 100 pounds over all, delivered at the abattoirs. Some have gone so far as to fix their limits at \$3.60 per 100 pounds for the prime fat beasts, and claim that they do not care about operating at that price unless the market improves on the other side. The price of \$3.60 is about the lowest paid for prime bullocks last year, but since then ocean freights have been reduced by nearly 1 cent per pound on frozen beef. A reliable estimate says there will be at least 400,000 head of prime fat cattle available in

Queensland alone for freezing and export, besides probably another 200,000 in the Northern Territory and Western Australia. A market for the bulk of these must be found, to save owners from disaster. The killings in the north last season totaled 254,000 head—a small number compared with previous years, except 1920.

Generally speaking, seasonal conditions are favorable at the time of writing. Heavy storms have been experienced in the north, where they are looked for and wanted at this time of the year. They have also extended south on the east side of the continent, and have been useful in putting out grass fires and replenishing domestic water supplies. However, apart from that, rains are not welcome in the southern states as early as this. A heavy downpour now washes the nourishment out of pastures and starts a new growth that is liable to get scorched in subsequent hot weather.

The fat-stock markets have been marked by considerable irregularity during the month. Values fell away steadily in all centers the second half of December, but have recovered since the holidays. In some instances last week they were higher than the highest point touched in December. This is particularly the case in Sydney and Brisbane; but probably a percentage of the appreciation can be laid to short offerings—a temporary matter, due to railroad disorganization following on the holidays.

The following are current quotations, at per head, at the municipal sale-yards specified: Melbourne—prime heavy bullocks, \$48 to \$55; extra weighty ditto, \$56 to \$62; medium ditto, \$40 to \$46; fat cows, suitable for the butchering trade, \$30 to \$37.50; prime cross-bred wethers, \$3.70 to \$4; ditto ewes, \$2.65 to \$3.10; prime Merino wethers, \$3.50 to \$3.60; ditto ewes, to \$3; best spring lambs, \$3.40 to \$3.85. Sydney—prime weighty bullocks, \$48 to \$52.50; extra ditto, to \$61.50; medium weights, \$41 to \$47.50; fat cows, to \$35; prime cross-bred wethers, \$4.10 to \$4.60; ditto ewes, to \$3.80; fat Merino wethers, \$3.80 to \$4.30; ditto ewes, to \$3.60; spring lambs, to \$3.90. Brisbane—prime bullocks, \$45 to \$55; extra ditto, to \$65; medium weights, \$38.50 to \$44; good fat cows, \$32.50 to \$35.

The season in New Zealand is satisfactory, except in a few small areas. The packing-houses in the North Island started killing sheep and lambs before Christmas, and most of those in the South Island should be in commission by the end of January. One large company advertises that it is prepared to buy stock from the producer on the following green basis: cattle, prime ox, \$4.80 per 100 pounds; inferior, down to \$2.40; wethers, under 56 pounds, 5½ cents per pound; over 56 pounds, 4½ to 2 cents, according to weights, 2 cents being the value over 72 pounds; ewes, 2¾ to 2 cents; lambs, under 36 pounds, 9 cents; over 36 pounds, 8 cents. No doubt the majority of other concerns will buy on the same basis, although I hear that one or two are offering a shade more where competition is particularly keen. Official returns show that the lambs dropped in the dominion last year numbered 10,518,780, as compared with 9,730,950 in 1920. The remarkably high percentage of 86.59 lambs for every 100 ewes put to the ram was obtained.

Appended is a brief summary of exports of frozen meat from Australia and New Zealand for the six months ended December 31, 1920 and 1921, respectively:

	Mutton (Carcasses)		Lamb (Carcasses)		Beef (Quarters)	
	1920	1921	1920	1921	1920	1921
Australia.....	580,000	154,000	325,000	478,000	488,000	453,000
New Zealand.....	3,609,000	1,430,000	2,831,000	1,608,000	415,000	232,000

Included in the New Zealand figures for 1920 are 475,000 carcasses of mutton, 1,909,000 carcasses of lamb, and some 600 quarters of beef shipped to various North American ports. No meat was sent to the United States during the last half-year.

ENGLISH LIVE-STOCK LETTER

BY JOSEPH RAYMOND

[Special Correspondence to The Producer]

LONDON, February 17, 1922.

IF THE PRESENT disastrous outbreak of foot-and-mouth disease in many far-apart districts of Great Britain had not been so tragic in its results for the British meat-raising industry, the position of United Kingdom meat-animal exports having the whole world closed upon them, when the policy of exclusion had been so rigorously adopted against others from this end, would present a really humorous spectacle. However, the situation is hardly one for amusement, as any influence which tends to waste national supplies at this critical juncture in the world's history is to be deeply regretted.

Although government officials here have not admitted that the present outbreak of disease is epidemic, its occurrence has at least been located in very many wide-apart districts, and the policy of slaughter has so far been adopted vigorously, not only for infected beasts, but also for contacts. A week or so ago the number slaughtered had amounted to over 12,000, and it is hinted that ultimately some modification of the destruction practice will have to be observed.

The result of the outbreak, which is the greatest in the history of the trade in Great Britain, is a complete hold-up of animals as between various markets. Moreover, the Irish live-stock trade has also been interrupted, the exports to Great Britain being confined to fat cattle, sent across for immediate slaughter at the port of discharge. Naturally prices have been considerably affected both for live and dead meat, although in the bigger markets meat prices have not been very greatly enhanced. The disease has not resulted in such large increases in marketings of beef as might have been expected. The ultimate results from the national disaster, however, cannot be estimated, as the effect must be a cumulative one, and it delivers a very sad blow at the British live-stock industry.

The pedigree herds of our country will, of course, also feel the bad results to the full, as exports are completely held up at a time when pedigree-stock owners were preparing to reap a harvest which had been seriously hindered throughout and after the war.

Fat-stock prices for cattle have been materially raised during the past fortnight, the average rates for first- and second-quality beasts now being \$3.20 and \$2.66, respectively (reckoning \$4 = £1), per 14 pounds, as compared with \$2.70 and \$2.50 only a week ago, while best fat cows average \$2.40. Sheep have met with a keen demand, and values have again advanced. The average price for first-quality Downs and cross-breds is 34 cents per pound, as compared with 2 cents cheaper a week ago, while ewes average 22½ cents, as against 21 cents last week. Trade for both bacon and pork pigs has been firm, and generally higher prices have been obtained. The average rates for first-quality bacon animals and porkers are \$2.60 and \$3.20 per 14 pounds, respectively, as compared with 12 cents less a week before. There is not much inquiry for store cattle at the present moment, but prices are mainly firm. It is stated that supplies of store sheep are generally scarce throughout the country just now.

Regarding bacon imports into the United Kingdom, it may be of interest to note that a leading veterinary inspector sent by a northern municipality to Denmark to investigate the conditions of carcass inspection in connection with the import trade into Great Britain of pigs and pig products from Danish sources has reported not altogether favorably of the conditions ruling in the exporting country; but it is stated that improvements are in progress in view of the visit and report.

American readers will be interested to hear that the further movement in Ireland to establish a second center for the treatment of meat animals on a large scale for the promotion of a dead-meat export industry in the place of the live-cattle shipments, recently forecast by me in this letter, has now got well under way, and a concern entitled the Irish Co-operative Meat, Ltd., backed by the co-operative movements of several of the counties in the southeast of Ireland, has purchased a site at Waterford for the erection of a modern meat-works. Already \$700,000 capital has been subscribed to this end, and some of the promoters have recently visited the United States to study conditions there. There is certainly vast scope for such a dressed-meat industry, since the statistics of the Irish Department of Agriculture show that the value of cattle and beef exports from Ireland to Great Britain in 1918 exceeded the value imported from any other country. The Irish export amounted to a value of \$95,000,000, and the next largest import was from the United States of America, valued at \$85,000,000. The import from Argentina, valued at \$75,000,000, came next in order of magnitude.

It was recently rumored in London that the large American meat firms operating in Great Britain were contemplating the extension of their enterprise in the direction of acquiring retail meat shops in various parts of the kingdom. Apparently no development in this direction has taken place, but I understand that the large British firm of Vestey Brothers has of late been extremely active in buying up numerous groups of such shops in various centers, and that this firm now owns probably in advance of 3,000 butchers' shops in different parts of the country.

THE ARGENTINE LIVE-STOCK SITUATION

BY JOHN G. KIDD

[Special Correspondence to The Producer]

BUENOS AIRES, December 18, 1921.

ALTHOUGH ARGENTINA, taken on the whole, has probably been less hard hit by the international trade slump than the neighboring republics of Latin America, the catastrophe which has, within the last year, overtaken this country's cattle-raisers is perhaps without parallel anywhere. The grain-growers have been let off lightly, because they entered the cereal year of 1920 with an absolutely clean slate, all previous wheat reserves having been shipped prior to September, 1919, when prohibition of wheat exportation had to be enforced to prevent too great shrinkage in the supply assigned to local requirements. But the cattlemen have had no such point in their favor. The number of cattle they have had available for the market in the current year has not merely been up to the average of previous years. By a conglomeration of circumstances, the principal of which has been various long spells of intense drought, the cattle offerings have been so heavy that, if there had been any purchasing organization big enough to absorb half of them, they would have been able to lay up a store of beef big enough to satisfy Europe's requirements for half a decade. But, as the American packing-houses established here do not buy up cattle to fill their requirements five or more years ahead of time, they have been able to take only the approximate quantity required to keep pace with current demand from abroad. Thus, and thanks to the circumstance that the cattle-breeders of this country are without any really representative organization, the packers have had no difficulty in bringing values down with a rush. Needless to say, offers and counter-offers from hard-pushed cattlemen, many of them with their land stocked up to the utmost limit permissible under the most favorable pastoral conditions, tended, not merely

to foster gradual depression of values, but to precipitate a veritable collapse which took place almost within a matter of days.

Without going into minute details of dates and figures to show the origin and progress of the slump, suffice it to give the facts as to Argentine live-stock values as they stand today. In the first place, be it said that the sales of pedigree bulls at the annual show held in Palermo last September were of a disastrous character from the sellers' standpoint. The rural shows held under the auspices of the Argentine Rural Society are regarded in this country as the standard method of marketing pure-breds. It is no exaggeration to say that 60 per cent of the country's output of pure-breds passes under the hammer either at the big shows held in Buenos Aires or in the sale-yards operated by one or two commission firms also established in the capital. The system is rotten, and must be supplanted by something better if the pure-bred business is to hold out and become a staple branch of the live-stock industry as a whole. Just imagine for a moment a more or less straight line running north and south through Chicago, with the ocean to the west of that line, and all the territory east of it being the whole of the United States. Then suppose that New York were to be made the central mart for pure-bred stock, animals bred four or five hundred miles to the southwest being sent all the way to New York to be sold to farmers living perhaps two hundred miles north of the very range on which the animals were raised. How could the commercial farmer expect to pay the prices which would have to be charged for animals to cover cost of production, and all the hundred and one incidental expenses of shipping them to and from a large city, and paying all the exorbitant charges of keeping them there for periods extending into weeks? This state of affairs is just about what has been going on here, and the collapse of pure-bred values has been precipitated by the effects of this unnecessary inflation as much as by the general economic depression affecting the whole world.

The charges for handling the cattle in Buenos Aires are murderous. I suppose it would be the same if cattle had to be motored around from one terminal to another in New York. Anyway, a more central market place must be found for the pure-breds; or, better still, the breeders must work up their business in some direct way, so that bulls can be bought on the spot where they have been raised, and shipped to where the beef-grower wants them. It is certain that the commercial beef-grower cannot afford to pay the fancy prices of two or three years ago, when the values of his own stock have tumbled to, in many instances, as low as 20 per cent of what he was getting in the early part of 1920.

The cattle industry of this country, besides participating in all the problems which are weighing upon the industry in an international sense, has so many problems which are peculiarly its own that to attempt to go into everything in one letter would mean a contribution which would be too incoherent and kaleidoscopic to be comprehensible. One of the great weaknesses of our industry, as already intimated, is the tendency to overstock the land. Land which in an ideal grazing year will carry, say, 2,000 head of cattle to the league (nine square miles) is being expected to carry this number right along. The result is that the first dry spell brings disaster in its train. We have just had an experience of this kind in its worst form; for the extreme values of 1919, combined with the soaring land rentals, which actually seemed to race ahead of the increase in cattle values, was a strong temptation to the tenant grazier to stock his land to the very limit. The beginning of the process of deflation came simultaneously with a severe drought, and thin cows, heifers, yearlings, and calves became a drug on the market.

For the last nine months things in general have been going

from bad to worse, as far as the industry as a whole is concerned, although fat cattle of the class required for chilled beef have picked up from the extremely low level of prices which was touched about seven months ago. The present position is aggravated by the circumstance that since last fall (beginning approximately in April) feeders have been out of the market, the decline in values having scared them out of the business where excessive rentals had not already put them into difficulties. The people with lean steers and heifers customarily taken over by the feeders are consequently experiencing the utmost difficulty in selling these animals for a fifth of what they would have fetched in early 1920. The thin cattle from the northern provinces of Corrientes and Entre Rios, formerly absorbed for canning purposes, are practically unmarketable, local packers and canneries being hard put to to liquidate accumulated stocks of canned stuff left on their hands at the end of the war. Cows worth \$60, paper, in early 1920 are now being sold at the rural auction sales at \$8 to \$10 (reckoning 1 paper peso equal to 40 cents). Heifers of a comparatively fair class are regularly changing hands at between \$6.80 and \$8.

I have previously mentioned that live-stock breeders are without any really representative organization, and that this fact has been a serious drawback in the present crisis. The fact is that, on the whole, the cattle-raising interests of this country were, prior to the war, so consistently prosperous, though in much more moderation than after the war, that organization was hardly necessary. The Argentine Rural Society is more representative of the large landowners, with little better than an academic interest in the live-stock industry, than of the great multitude of commercial meat-raisers.

The local retail meat market is in the hands of profiteers, who are selling choice beef cuts at 64 cents (Argentine paper) per pound, while the producer is receiving 16 or 17 cents per pound for the cattle he is selling for local consumption.

NOTES FROM FOREIGN LANDS

Armour to Quit New Zealand

A cablegram to the high commissioner for New Zealand in London states that, owing to the refusal of the New Zealand government to grant Armour & Co. a license to export meat, the company will cease all trading in meat in that country.

Famous Mexican Ranch Purchased by American

The famous Terrazas ranch in the State of Chihuahua, Mexico, comprising over 6,000,000 acres of land (described by Will C. Barnes in the March, 1921, number of *THE PRODUCER*), is reported to have been sold to A. J. McQuatters, president of the Alvarado Mining Company. The price was not made public.

Frozen Meat Exports from Brazil Halted

Armour & Co.'s freezing plant in Sao Paulo—the largest packing-house in South America—has been closed. Wilson & Co.'s and other works are operating only for local consumption. A scarcity of suitable cattle for the export trade and exorbitant prices demanded by cattle-raisers are given as the reasons.

American-Australian Wheat-Selling Agreement

It is reported that during his forthcoming visit to the United States and Canada, Mr. Trethowan, chairman of the Australian wheat pool, will negotiate with grain interests in those countries for an agreement whereby different selling periods will be fixed for American and Australian crops, thus eliminating competition.

ROUND THE RANGE

BREEDS OF BEEF CATTLE

Farmers' Bulletin 612, issued by the Department of Agriculture under the above title, contains an excellent description of the various beef cattle breeds found in the United States. The first breed dealt with is the Shorthorn. From this chapter we quote as follows:

SHORTHORN

"Of the breeds of beef cattle in the United States, the Shorthorn is the most extensively grown. The first importations were made in 1783 by Miller and Gough, of Virginia and Maryland, respectively. These cattle were brought from the Tees River Valley, in northeastern England, where they were sometimes spoken of as 'Teeswater,' or 'Durham,' cattle. These names are practically obsolete, and now only the name 'Shorthorn' is used. . . .

"The Shorthorn is the largest of the beef breeds. As a rule, when raised under favorable conditions, the mature bulls weigh between 1,800 and 2,400 pounds, and the cows usually weigh between 1,300 and 1,600 pounds. These cattle have great adaptability and do well almost everywhere. They may vary in color from all red or all white to any combination of red and white, and a blending of the red and white hairs (roan) is a popular color. The Shorthorn crosses well with scrub and grade cows, the calves of such matings developing into desirable beef cattle. The bulls are very prepotent and have been used freely in grading up the scrub cattle of the plains, in both this country and South America.

"Some of the other breeds excel the Shorthorn in grazing ability where feed and pasture conditions are not favorable. The Shorthorn thrives best where grasses are abundant and feed plentiful. Under these conditions it is not equaled by any other breed. The Shorthorn is early maturing, 'growthy,' and fattens readily.

"Of all the beef breeds the Shorthorn excels in milk production, the large milk flow insuring a good calf. For this reason the Shorthorn cow is favored on many small farms to supply milk for the family in addition to raising a calf for beef. The steers sell readily as feeders and produce a very high-class beef, with a thick loin and full hindquarter which furnish profitable cuts.

"In conformation the Shorthorn is wide, deep, lengthy, and thickly fleshed—a good beef type. The great width of back and the straight lines of the Shorthorn, together with its depth, give a more rectangular form than that of any of the other breeds, although the wide distribution of the breed has caused a slightly greater difference in this respect to be recognized than in other beef breeds.

"In the cow the following points should be noted: The horn is usually small and curved forward, with the tips pointing in-

ward, upward, or sometimes downward, and should be of a waxy, yellowish color. The head should be shapely, with great width between the eyes, short from the eyes to the muzzle, which should be large and flesh-colored, with large, open nostrils. A black muzzle is objectionable to most breeders. The neck should be short and full, blending well into head and shoulder. The shoulders should be smooth and well covered with flesh. The crops should be full, the heart girth large, and the fore-flank low. The chest should be wide and deep, with the brisket thick and well to the front. The ribs are usually well sprung and the barrel well developed. In good individuals the back is broad and the loin is wide, deep, and thickly fleshed. The hips are wide and should be well covered with flesh; the rump is long, wide, and level, carrying an abundance of flesh. The hindquarter is well developed in the Shorthorn, and is characteristic in that it is almost straight from the root of the tail to the hocks; it is wide and thick, carrying the flesh well down, thus giving a maximum quantity of flesh. The flank is low; the udder is usually well developed, extending well forward, with prominent milk veins. Teats of medium size are preferred.

"The bull should possess the same desirable features as the female, without feminine qualities. He should show masculinity by developing a heavier horn, a larger and thicker neck, a heavier bone throughout, and greater depth, thickness, and scale. His horns are heavier and less curved than the cow's, but they should not show undue coarseness.

"The Shorthorn has been criticized in the past, and is still criticized, although much less generally, for a lack of fulness or development over the crops, a high fore-flank, and a poorly developed heart girth, and for being somewhat 'leggy' and having a tendency to patchiness near the root of the tail and 'rolls' on the sides. The breeders have made rapid progress in overcoming these faults. The improvement in this respect during the last ten years has been very noticeable, resulting

in low-set, thick-fleshed animals, with great smoothness throughout."

POLLED SHORTHORN

"The Polled-Shorthorn breed was formerly known as 'Polled Durham.' The name was changed in 1919, because not more than 5 per cent of the animals now being recorded in the Polled Shorthorn Record are other than 'double standards.' The 'single standards' were produced by breeding polled cows to Shorthorn bulls, selecting the polled offspring and breeding them to other Shorthorn bulls. This grading-up was continued until the polled offspring was brought to the fifth cross, which contained 96% per cent or more of Shorthorn blood, when they were qualified for entry in the 'Polled' record only. The double standards were the polled offspring from parents both of whom were registered in the American Shorthorn Herd Book.

"The breed is similar to the Shorthorn in every way, except that it is hornless. The Polled Shorthorn is a comparatively new breed of cattle, and of late years has been increasing very rapidly in popularity, especially since breeding Polled Shorthorns affords an added incentive to constructive breeding. The American Polled Shorthorn Association was organized in 1899, and its rules are such that one parent may be a horned Shorthorn, provided the other is a recorded Polled Shorthorn. There is no limit to the breeder's introducing into his Polled-Shorthorn herd the blood of any horned animal whose breeding and contour appeal to him, and, since some breeders have developed the dual-purpose qualities in the animals, the result is a considerable variation in type."

In subsequent issues we shall take up the other breeds in similar manner.

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STATE LIVE-STOCK ESTIMATES

The Bureau of Markets and Crop Estimates, in co-operation with state agencies, has worked out the following estimates of live stock on farms and ranges on January 1, 1922, compared with the estimates for the same date in 1921, as revised on the basis of the federal census of 1920:

COLORADO

	1922	1921
Milk cows	243,000	236,000
Other cattle	1,375,000	1,523,000
All cattle	1,618,000	1,759,000
Sheep	1,954,000	2,306,000
Swine	455,000	450,000

IOWA

	1922	1921
Milk cows	1,093,000	1,072,000
Other cattle	3,134,000	3,231,000
All cattle	4,227,000	4,303,000
Sheep	854,000	1,005,000
Swine	7,546,000	7,471,000

MONTANA

	1922	1921
Milk cows	164,000	156,000
Other cattle	1,200,000	1,080,000
All cattle	1,364,000	1,236,000
Sheep	2,170,000	1,973,000
Swine	180,000	160,000

NEBRASKA

	1922	1921
Milk cows	516,000	501,000
Other cattle	2,427,000	2,452,000
All cattle	2,943,000	2,953,000
Sheep	521,000	521,000
Swine	3,680,000	3,505,000

PRODUCTS FROM A HOG

Swift & Co. in their 1922 "Year Book" give the following table of yields from a 250-pound hog:

	Per Cent	Pounds
Hams, smoked	13.00	32.50
Bellies or bacon	11.75	29.37
Loins, fresh	9.50	23.75
Fat backs, salted	9.50	23.75
Lard, rendered	9.00	22.50
Picnics, smoked shoulder..	5.00	12.50
Boston butts, fresh	4.25	10.63
Clear plates, salted	2.75	6.87
Lean trimmings, sausage..	2.25	5.63
Jowl butts, salted	2.25	5.62
Spare ribs, fresh	1.25	3.13
Miscellaneous edible items	3.00	7.50
Yield	73.50	183.75
Edible by-products	2.25	5.62
Non-edible by-products	3.75	9.38
Shrinkage	20.50	51.25
Total live weight	100.00	250.00

FARM WAGES DECLINE

Farm wages in the United States dropped approximately 37 per cent during 1921, compared with the previous year, according to data compiled by the Department of Agriculture. With board, wages averaged \$30.14 a month, and without board the average was \$43.32. Day labor at harvest time during 1921 was paid for at the rate of \$2.24 a day with board and \$2.79 without board. The largest decline in farm wages occurred in the South and in the north central states west of the Mississippi River; the smallest, in the industrial regions of the East. Farm wages in 1921 were still from 41 to 48 per cent higher than those prevailing in 1913.

SERUM INJECTION OF HOGS

Many veterinarians and farmers are still immunizing hogs against cholera by making injections in the ham or shoulder, despite the fact that the flank, with its loose connective tissue and ready ability to absorb the serum, is the more desirable place, says a report issued by the Department of Agriculture. Injections in the ham or shoulder, although possibly more easily made, often result in infection and the formation of deep abscesses, which is

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not only injurious to the hog, but often spoils the meat of the dead animal. The department recommends that injections be made at a point which will make drainage easy, should an abscess form. The serum should never be injected into a mass of fatty tissue, as this is not sufficiently absorptive. Small pigs and shoats up to eighty pounds' weight may be held up by the hind legs, with the forefeet resting on the ground, and the injection made into the loose tissue of the flank.

COUNTRY'S GREATEST INDUSTRY

Meat packing is the largest industry in the United States, as measured by value of output, according to census figures. In 1919 the six leading industries ranked as follows in value of products:

Meat packing	\$4,246,290,000
Iron and steel	2,812,775,000
Automobiles	2,387,833,000
Foundries and machine shops	2,321,129,000
Flour- and grist-mills.....	2,193,007,000
Cotton goods	1,887,919,000

The output of Chicago's meat-packing establishments in 1919 reached a total value of \$1,083,090,000.



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